Senate—*Wednesday, September 5, 1984*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

There is no power but of God, the powers that be are ordained of God.—Romans 13:1.

God of history, Lord of empires and nations, Father of us all, we come to You in earnest supplication for the Senate as it opens on these final weeks before adjournment. You know all things Lord, the future is as plain to You as the past, the end of history as its beginning. You know our hearts—we have no secrets from you. You know our hopes, our desires, our aspirations, our ambitions, our apprehensions and fears, our certainty and our confusion.

Father in Heaven, You know the inescapable ambivalence built in to our political system—the inevitable tension between legislation and an imminent national election. Grant special wisdom to our leadership and courage to the Senators to do what is right despite political implications. Help them not to allow these closing days to be merely cosmetic—a game of charades with critical issues held in limbo awaiting a more favorable political climate.

Gracious God, may these final hours of the 98th Congress be infused with integrity, truth, and justice. We pray this in the name of Him who followed truth when challenged by the most powerful political and religious forces. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

Mr. BAKER. I thank the Chair.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, under the order previously entered, the reading of the Journal today will be dispensed with, no resolutions will come over under the rule, the call of the calendar has been dispensed with, and, since we adjourned for the break for the Republican National Convention, the order also provides that the morning hour will be deemed to have expired.

Mr. President, after leadership time and a special order in favor of the distinguished Senator from Wisconsin [Mr. PROXMIRE], who is on the floor, there will be a period for the transaction of routine morning business until 1 o'clock. At 1 o'clock, Mr. President, it is anticipated that the Senate will be asked to turn to the consideration of the so-called banking bill.

SENATE AGENDA

Mr. BAKER. Mr. President, I have had a chance to confer with the minority leader in private before the Senate convened and I have advised him of the circumstances I am about to describe, but perhaps now would be a good time to give an outline of the agenda of the Senate for the balance of this session—or at least I hope it is the balance of this session—until October 5. The earlier announcement was that we would go out on October 4, which is a Thursday, and I think I would like to suggest now that we amend that on the calendar and suggest we go out on the 5th.

But it is the intention of the leadership to go out on the 5th of October and it is the hope of the leadership that we will go out sine die on October 5. If we do not, it will be over the most strenuous protest and objection of the leadership on this side.

Mr. President, during the time between now and the 5th, however, our principal responsibility, in the view of the leadership on this side, will be to do those things that must be done. I am thinking particularly of the appropriation bills. The ones that appear to be most likely to come up soon are MilCon, Labor-HHS, Interior, Transportation, a continuing resolution, and any other appropriation bills we can reach. It would be my hope that we can do them all, even including the Department of Defense appropriations bill, but we will have to wait and see how the situation develops there. There are a number of conference reports, Mr. President, that must be dealt with. There is one veto message here. Since it must come in at the opening of this session, I would like now to propound a unanimous-consent request, Mr. President, if I may. I have submitted this to the minority leader for his consideration.

CORPORATION FOR PUBLIC BROADCASTING—VETO MESSAGE

Mr. BAKER. Mr. President, I ask unanimous consent that a veto message to accompany S. 2436, the Corporation for Public Broadcasting bill, when it is received, it be considered as having been read, that it be printed in the RECORD and spread in full upon the Journal, and that, in addition, the message be held at the desk and that it may be proceeded to by the majority leader, after first consulting with the minority leader. I make that request.

The PRESIDING OFFICER [Mr. DURENBERGER]. Is there objection? Without objection, it is so ordered.

The message is as follows:

To the Senate of the United States:

Since the adjournment of the Congress has prevented my return of S. 2436 within the meaning of Article I, section 7, clause 2 of the Constitution, my withholding of approval from the bill precludes its becoming a law. Notwithstanding what I believe to be my constitutional power regarding the use of the "pocket veto" during an adjournment of Congress, however, I am sending S. 2436 to the Senate with my objections, consistent with the Court of Appeals decision in *Kennedy* v. *Sampson*, 511 F.2d 430 (D.C. Cir. 1974).

Public broadcasting constitutes an important national resource and contributes to the diversity of news, information, and entertainment choices available to the American public. Under S. 2436, however, Federal funding for public broadcasting would be increased by too much too fast. The Fiscal Year 1987 authorization of $238 million for the Corporation for Public Broadcasting represents a 49 percent increase over the already enacted funding level for 1986. Likewise, next year's spending on new public broadcasting facilities grants would be authorized at $50 million or four times this year's appropriation.

When all of the demands on the Federal budget are taken into account, increases in spending on public broadcasting of the magnitude contemplated by this legislation cannot be justified. They are incompatible with the clear and urgent need to reduce Federal spending. Moreover, this view is clearly shared by a large portion of the House of Representatives as indicated by the 176 votes in favor of the Oxley amendment to reduce the three-year authorizations by 25 percent.

In disapproving this bill, therefore, I urge the Congress to consider a revised bill providing more reasonable and moderate increases for the Board for Public Broadcasting along the lines of the Oxley amendment. I also reiterate my strong opposition to the huge increases for public facilities grants contained in S. 2436 and the unjustified expansion of this program to include repair and replacement of existing equipment.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

I must also stress that my firm insistence on scaling this bill back to more fiscally responsible levels in no way jeopardizes the continued operations of public broadcasting stations across the Nation. Under the established funding mechanism, ample appropriations have already been enacted into law for all of Fiscal Years 1985 and 1986. Funding for another 25 months is already guaranteed.

Thus, the issue regarding S. 2436 is really one of long-range fiscal prudence. Given the magnitude of the deficit cuts that will be needed in the years ahead, I do not believe we can justify locking-in public broadcasting funding levels for 1987-1989 that are so obviously excessive. To do so would be wholly inconsistent with our pledge to slow the growth of spending and reduce the size of the deficit.

According, I am disapproving S. 2436.

RONALD REAGAN.

THE WHITE HOUSE, *August 29, 1984.*

SENATE SCHEDULE

Mr. BAKER. Mr. President, that veto message then must be dealt with in this session. There, of course, could be other veto messages or other privileged matters to be dealt with.

But, in addition to the appropriation bills and the conference reports and this or other veto messages, these matters come to mind as matters that we should try to deal with in the time remaining before we adjourn:

The banking bill. As I indicated earlier, it will be the intention of the leadership on this side to ask the Senate to turn to the consideration of that bill today.

TV in the Senate. That is one that I have variously threatened the Senate with, and I hope Senators do not feel that way about it. But they should know that it is the intention of the leadership on this side to ask the Senate to turn to the consideration of that measure either after the banking bill or after the military construction appropriation bill. I would expect an effort to reach TV in the Senate to be presented to the Senate sometime next week, early next week.

The highway bill. It is hoped that we will have a highway bill that we can deal with early and promptly.

There is also a clean water bill, a products liability bill, a trade bill, a water resources bill, Grove City, and a debt limit bill.

In addition to that, Mr. President, there may be nominations that are on the calendar now or will come to the calendar that can be dealt with—I hope so—and we, or course, will deal with them as we can and when we can.

Mr. President, that is quite a list. What I am about to say next I am sure will be taken the right way by Members on both sides. We really have a fundamental choice now for the next 4 weeks. We can use the Senate as an extension of the Presidential and congressional campaigns or we can take care of legislative business. I would like to take care of legislative business. I would like to see us do as much of this as we can.

I happen to think that both tickets for the Presidency and Vice Presidency are fully capable of developing the issues and publishing them to the country and to the electorate efficiently, effectively, and extensively. I do not think we have to do it again here. But if we do, and it would certainly not be unheard of in that case.

But I would urge Senators to consider that the issues, as attractive as they may be, as volatile and controversial as they are, can be better dealt with in the campaign context than they can in the legislative context and that the Senate would do well in the 4 remaining weeks to address itself to that extensive list of matters that I have just listed and perhaps other matters as well.

I say again that I hope Members on both sides will understand my admonition, and that they will understand as well that it is my responsibility together with the minority leader to try to see that the Senate functions in an effective, and we hope attractive, way in the discharge of our public responsibility.

Mr. President, that perhaps is a longer winded speech than Members anticipated. But I felt it desirable at this point to share my thoughts with my colleagues as we begin this, the final, drive for adjournment sine die.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. Under the previous order, the Democratic leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. BYRD. I thank the distinguished majority leader for laying out the schedule. It is very clear as to what legislative measures he hopes to dispose of between now and adjournment sine die, and I think the program as laid out will, for the most part, be received well on this side of the aisle.

I am sure that the majority leader did not mean for the schedule, as he laid it out, to be all inclusive, and that there will be other measures from time to time which will require the action of the Senate. But I ask with reference to the disability insurance measure which has been acted on by the Senate, and with reference to child nutrition, what the majority leader might have in mind.

Mr. BAKER. Mr. President, I thank the Senator.

May I first say that the list certainly is not exclusive. I am sure I have left off items that we ought to deal with, and will deal with, and we will adjust the agenda as necessary. I really ask the minority leader if he will let me check those two items before I make a further reply. I will do that, however, and I will have further information for the minority leader.

Mr. BYRD. I thank the majority leader.

S. 2851—FINANCIAL SERVICES COMPETITIVE EQUITY ACT

Mr. MOYNIHAN. Mr. President, will the minority leader yield for a question?

Mr. BYRD. Yes.

Mr. MOYNIHAN. May I ask if the minority leader is aware that there are a number of Senators who would wish to be present when the banking legislation is brought up. They are not present today, and as a consequence the Senator from New York is obliged to object to the motion to proceed. I hope not to obstruct the eventual deliberation. I have never done this in 8 years in the Senate. But in this case I am going to have to seek to do it, however briefly.

Will the minority leader tell me if he knows when the majority leader plans to bring the matter to the floor?

Mr. BYRD. Mr. President, the majority leader is here, and will probably want to make some comment himself on this. The majority leader indicated to me privately earlier today that he wanted to go to the banking bill, and I think he kind of contemplated that this might be done as early as the last day or so before we went out prior to the recent recess.

What the majority leader has said I do not believe catches me by surprise. And, while objection could be made to a unanimous-consent request, the majority leader could move to proceed to the banking bill, which motion would be debatable. I would like the majority leader to respond to my colleague because I think both the majority leader and I are cognizant of the absentee situation to which the distinguished Senator from New York has appropriately referred. I am sure the majority leader has that in mind as he prepares to go ahead with today's business.

I yield to the majority leader, Mr. President, for a response to my dear friend from New York.

Mr. BAKER. Mr. President, I thank the minority leader for yielding so that I can reply.

The minority leader is absolutely correct. I did indicate to him before we adjourned that it would be my intention to ask the Senate to turn to the banking bill on the day we came back,

or shortly thereafter, and it is my intention to do it today. But let me say that I, too, understand that there are Senators who are keenly interested in this bill who are not here, and necessarily absent. And I have no intention of trying to force that issue before they return.

I do expect to make a motion to proceed today. I would anticipate that there will be some debate on that. I do not anticipate, however, that we will be in late today. There is not an intention by the leadership on this side to file cloture on that motion today. These are the things I had in mind when I said that I would not be surprised to see this bill spill over until next week.

In the meantime, I say to my friend, the minority leader, we can find some other things to do. But the answer is in all likelihood there will be a motion made today to proceed to the consideration of the banking bill.

Mr. MOYNIHAN. Mr. President, could I ask the majority leader to show his characteristic courtesy in letting the Senator from New York know when that motion will be made.

Mr. BAKER. Yes. Mr. President, barring unforeseen circumstances, and having the manager on this side present, that would occur at the close of morning business at 1 o'clock.

Mr. MOYNIHAN. I thank the majority leader. I thank the minority leader.

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr BAKER. Would the Senator yield for a unanimous-consent request?

Mr. BYRD. Yes.

Mr BAKER. Mr. President, I ask unanimous consent that the time under the standing order be restored to the minority leader after the end of whatever yielding he may do for other Members to clarify.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the Chair, and I thank the distinguished majority leader.

As I understand it, now I will have 10 minutes following any yielding by me to other Senators, which would be brief.

The PRESIDING OFFICER. The Democratic leader is correct.

Mr. BYRD. Mr. President, I thank again the majority leader.

I yield to my distinguished senior colleague, Mr. RANDOLPH.

SENATORS URGED TO VOTE FROM THEIR DESKS

Mr. RANDOLPH. Mr. President, I am grateful that the two leaders begin these very crucial days on Capitol Hill with the constructive leadership that both of them have given to this body.

I ask the majority leader a question. We have not recently talked about it privately. The majority leader will realize that I am referring to Senators standing at their desks on rollcalls.

When the Senate had a prior test of the subject of televising the Senate proceedings I offered the voting rule change on April 20, 1982. I was 5 votes short. I hope that, if the opportunity comes in the next few days or weeks, I would be given the privilege to have that question again considered. I am not talking about a dignified Senate. I think that each and every Member of this body is a dedicated Senator. I only believe that it is appropriate—in fact it is urgent—that we give to the actual voting process in this Chamber a dedication not influenced by any desire to straitjacket the membership. I stress to both the leaders these desks mean something. Assigned to us are these desks. The majority and minority leaders are now speaking properly from the desks assigned to them. This procedure, I hope, will be followed on actual voting on rollcalls. I inquire now from the majority leader if he feels that we can have the opportunity, and that he might even urge it, although he might be against my proposal; that is, the use of our desks on rollcalls.

Mr. BAKER. Mr. President, if the minority leader will yield so I may respond, I respect the point made by the distinguished Senator from West Virginia. He is foremost among all of us, I believe, in urging that the Senate conduct itself, of course, in an appropriate way, especially during rollcalls, and I respect him for that. On the question of rules change, I can assure the Senator that I will consider that. I will keep an open mind on that point, and I fully understand his reasons for it. I will think about that.

Mr. RANDOLPH. I am grateful to the majority leader. It has been a privilege for me as well as a responsibility to serve in the Senate with the leaders—Senators BAKER and BYRD.

Mr. BAKER. I thank the Senator.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

THE BUDGET

Mr. BYRD. Mr. President, as Congress returns for the few short weeks remaining before adjournment, the list of unfinished business before us is a long one, as already indicated in words spoken here today. At the top of that list is final action on the budget, which continues to languish in conference 3½ months after the date by which Congress is required, by law, to have the budget in place. The budget deficits that confront this Nation and the unwillingness of this administration to lead the way in achieving a balanced budget suggest that we should institute a major reform of the budget process this year. I would hope that during these weeks we will require all future Presidents to submit a balanced budget to Congress each year, even if that budget is not the one which the President himself may recommend.

Four years ago, President Reagan campaigned for the White House on the promise that he would balance the budget as early as 1982 or 1983. In his first budget submission as President, in February of 1981, Mr. Reagan pledged to achieve a balanced budget by 1984. This administration has now been in office nearly 4 years. The budget, far from being balanced, is in deficit for fiscal year 1984 to the tune of $172 billion. In fact, the deficit is growing at a rate nearly three times the speed of sound. If $1 bills were laid end to end as rapidly as the administration is increasing the deficit, the dollar bills would have to be rolled out at the incredible rate of 1,917 miles per hour—well over twice and nearly three times the speed of sound. Despite supersonic deficits, the administration has yet to submit a balanced budget to Congress, or even to reveal in any detail how—or if—it would bring about a balanced budget in the future. Instead, the President continues to hedge, playing "I've Got a Secret" with the American people, offering promises instead of plans, and substituting rhetoric for action.

Mr. President, our political leaders owe the American people no less than to be candid with them. Anyone who understands grade school arithmetic knows that with a $178 billion deficit facing this country next year, there are no easy answers.

Presidential candidate Mondale was frank with the American people when he told them that the budget could not be balanced without increasing revenues. President Reagan insists he is opposed to raising taxes, but steadfastly refuses to tell us what he will do to balance the budget. He tells us he will let us in on that secret after the election.

Throughout his term, President Reagan has repeatedly promised the American people that he would not raise taxes. Yet, in each of the last 3 years, the President has made a tax increase the law of the land.

On January 26, 1982, in his televised State of the Union Message, President Reagan said flatly:

"I will seek no tax increases this year, and I have no intention of retreating from our basic program of tax relief." Yet, less than 9 months later, he signed into law the largest tax increase in the history of the United States, $98 billion over 3 years.

In September 1982, the President explained that he did not "see the necessity for" an increase in the gasoline

tax. Yet, only 3 months later, he signed into law the first increase in the gasoline tax in 25 years.

In November 1983, the President said that he was "prepared to veto tax increases * * * no matter how they arrive." Yet, less than 9 months later, he signed into law tax increases totaling more than $50 billion.

This year, the President is once again rejecting the idea of any tax increases. If the President insisted that he will not increase taxes, then he owes it to Congress and the American people to give us his secret plan to balance the budget now, not in 1985, because, the only other way to balance the budget is to savage Social Security and medicare, dismantle a good portion of the military, or eliminate most of the rest of the Federal Government.

A look at the numbers is instructive. CBO estimates the Federal budget deficit will rise steadily over the next 5 years, reaching $263 billion in fiscal year 1989.

Interest payments on the Federal debt, which will reach $214 billion by fiscal year 1989, cannot be cut, since that is a legal obligation stemming from the $1.6 trillion national debt. What is left is a budget that is roughly one-third military spending, one-third Social Security and medicare, and one-third all other Federal programs. Unless the administration plans to dismantle the military or savage Social Security and medicare, it will have to cut the rest of the Government by more than 60 percent in order to balance the budget. Included in that category are farm-support programs, highway funding, the FBI and other law enforcement activities, student loans, national parks, child nutrition, veterans' pensions, and health care. I believe the American people have a right to know what the administration has in mind for these important Government programs.

In his 1984 Economic Report to the Congress, the President said he was "* * * committed to finding ways to reduce further the growth of spending and to put the budget on a path that will lead to a balance between outlays and receipts." The President went on to say that in 1985 he "* * * would submit a budget that can achieve this goal."

The 1984 Economic Report to the Congress contained the latest in a series of commitments from this administration to bring the budget deficit under control. So far, the administration has become a matter at substituting the rhetoric of a balanced budget amendment and "secret plans" for the hard political decisions required to bring the Federal budget back into balance. I believe it is time for Congress to require that the commitment of this President and all future Presidents be reflected in performance.

I have never seen a President campaign so loudly on the rhetoric of a balanced budget yet ignore so boldly his responsibility to submit a balanced budget to the Congress. It is time to put a stop to the kind of circumstances which now confront us—in which the President of the United States uses the "bully pulpit" of his office to preach a gospel of balanced budgets, blaming Congress for the record deficits his own policies have produced, while steadfastly refusing to submit a balanced budget to Congress. The failure of this administration to even propose a balanced budget, much less actually achieve one, is so glaring that I feel there is no alternative but to amend the budget process to ensure that this situation never occurs again. If a President, any President, is going to dismiss so lightly his promises on such a vital issue, then it is up to the Congress to ensure that political expediency can no longer take a back seat to responsible budgeting.

Mr. President, have I any time remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, I yield my 2 minutes to the Senator from Wisconsin.

Mr. PROXMIRE. I thank the minority leader.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized for not to exceed 15 minutes.

WILL THE 1984 ELECTION GIVE PRESIDENT REAGAN A MANDATE TO STEP UP THE NUCLEAR ARMS RACE?

Mr. PROXMIRE. Mr. President, three eminent Americans who have been closely identified with past Democratic administrations on Sunday called for bipartisan action to halt the nuclear arms race that threatens to ignite the next and probably the last world war. Averell Harriman, Clark Clifford and Marshall Shulman, in an article in Sunday's New York Times called for a "politically effective, bipartisan constituency to achieve more moderate and more stable levels of nuclear arms" and an end to "unregulated competition."

These three foreign policy experts point out that this has been the policy of every American President since Eisenhower. Three Republican and three Democratic Presidents pursued this policy of nuclear arms restraint to the best of their abilities. But this administration has flatly rejected it. The article makes this serious charge:

> This administration has never treated arms control as truly important to national security and in its more candid moments has said so. Positions have been advanced in negotiations, not to find common ground but to create the appearance of flexibility as a mask to justify a further buildup. Because the proposals have been so one-sided they have turned the negotiations into an unproductive forum for invective. Moscow's walkout from the strategic-arms talks cannot be excused—indeed, its policies bear a heavy share of the blame, but so must the administration.

Mr. President, this is the real tragedy of the 1984 campaign. Let us face it: President Reagan is very likely to win. If he does win, based on his record, what kind of a future can we expect for nuclear arms control? Here we have the only President since Russia became a nuclear superpower who has opposed every arms control agreement this country has ever made with the Soviet Union, including those negotiated, signed and aggressively promoted by Republican Presidents. President Reagan is the only President who has not even met with the Soviets in the nuclear age. Ronald Reagan alone among the last seven Presidents has not signed a single nuclear arms control agreement with the Soviet Union. Assume with this record, President Reagan wins reelection and suppose he wins by a big margin; can anyone doubt that the next 4 years will be the most dangerous in the history of our country? The answer to that question is, of course, "Yes, indeed." Some do indeed doubt that President Reagan will bring such danger. Some Americans, including many who attended the Republican Convention at Dallas and some who serve in Congress, still agree with the President. They will say he is right in giving nuclear arms control short shrift.

Harriman, Clifford, and Shulman call the administration and, by inference, those who support the administration's antiarms control policies extremists on the nuclear arms control issue. If President Reagan wins and particularly if he wins decisively, he and others who reject the nuclear arms control restraint of six previous administrations of both parties will contend that President Reagan on this issue represents the majority of the American people. They will take a big Reagan victory to mean that America has turned its back on nuclear arms control and that our country is in the nuclear arms race to stay and to win. Will President Reagan's reelection constitute such a mandate?

Mr. President, I believe that any Senator who talks to his constituents, any Senator who listens to his constituents knows that this is not the case. Two years ago, in September 1982, Wisconsin voters participated in a statewide referendum. They voted on the issue of a comprehensive,

mutual, verifiable freeze on the testing, production, or deployment of all nuclear weapons. The administration opposed that referendum. And what happened? It passed with a whopping 74 percent of the vote. The people of our State are not very different from Americans elsewhere. And in other statewide referenda throughout the country, Americans registered the same emphatic support for a nuclear freeze.

In their article in the Sunday New York Times, Harriman, Clifford, and Shulman do not advocate a nuclear freeze. They have taken a more moderate position. They simply call for the negotiation of agreements with the Soviet Union that will restrain nuclear competition along the same line pursued by our Presidents from 1953 through 1980. They protest the rejection of a similar nuclear arms control policy by the Reagan administration.

Now, Mr. President, if I am right that the overwhelming majority of Americans disagree with the administration's posture on nuclear arms control, why will I not rely on the results of the 1984 election to render a verdict? Why will a Reagan victory in November not constitute a mandate for a more vigorous than ever nuclear arms race with the Soviet Union?

Mr. President, there are two answers. One answer is that the President has been highly successful in concealing his antinuclear arms control policy behind pronouncements designed to show he favors arms control. Look at the INF talks designed to reduce nuclear arms in Europe. Look at the START talks aimed at trying to cut down the number and megatonnage of nuclear arms everywhere. Are those not Reagan nuclear arms control initiatives? As Harriman, Clifford, and Shulman tell us, the answer is that the proposals are patently and on their face unacceptable. We knew it. The Russians knew it. The administration knew it from the beginning.

But they do accomplish something very important for the administration. When the Russians as expected, rejected them, the administration could not only point to the Russians as the ones who walked out of the Arms control talks, but could argue with more force for the MX, the B-1B and other nuclear weapons.

The second reason a Reagan victory in November should not be regarded as a mandate to drop arms control and speed up the nuclear arms race is that those of us who view the nuclear threat as by far the most serious danger that confronts our country have dismally failed. Recent polls show only 15 percent of the American people put the nuclear arms race or the threat of nuclear war among the top three issues that will determine their vote in the November 1984 Presidential election. Gen. Omar Bradley was right some 25 years ago when he said the surprise about the public's attitude toward the threat of nuclear war is not the public's fear or concern, but the public's colossal indifference.

Mr. President, those of us who believe that nuclear war constitutes a deadly threat to this country and that a nuclear arms race is the surest route to such a war have a big job to do in the next 2 months.

I ask unanimous consent that the article by Messrs. Harriman, Clifford, and Shulman to which I have referred be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIPARTISANSHIP—OR DANGER

(By W. Averell Harriman, Clark M. Clifford and Marshall D. Shulman)

The spectacle of a great nation leaving crucial issues—the control of nuclear weapons and America's relations with the Soviet Union—to media consultants and image manipulators, the modern gladiators of politics, increasingly is generating apprehension among many Americans as well as in the wider world. What's needed instead is serious discussion leading to solid bipartisanship.

We are accustomed to a certain amount of circus and bombast in election campaigns, but isn't there something fundamentally wrong about letting questions about the future of life on this planet be settled by those who package slogans and promote slick half-truths?

With some issues, this matters less, since we treat campaign platforms and candidates' promises with skepticism. But the most urgent matters confronting us—nuclear weapons and superpower relations—can no longer be left to the vagaries of circus politics. If the governance of this country is to be equal to our responsibilities, both parties must seriously discuss the choices to be made, and out of that discussion must come, in place of extremism, a new articulation of the measured center ground that can restore bipartisan support for responsible policies.

It defies common sense to assert that America has become more secure. In fact, since 1981 our situation has become deeply troubling: there has been a total breakdown in negotiations with the Soviet Union while we have rushed into the largest peacetime military buildup in our history. Some regard these developments with complacency, even satisfaction, but, ignoring the lessons of history, they are blind to the dangerous trends now set in motion.

On both sides of the nuclear balance, the military competition is steadily mounting. New systems planned and introduced are bringing both sides closer to the hair trigger. Many of these systems will prove extremely difficult, perhaps impossible, to verify, and that will make any future arms control agreements far harder to reach.

The lack of serious diplomatic contact heightens the danger of misperception and miscalculation in a crisis. And our allies' diminishing confidence in the wisdom and good sense of our leadership accelerates fragmentation of the alliance and the tensions in and between Western European nations. If present trends continue, the alliance may be reduced in a few years to little more than a shell.

Despite all the boasts from officials like President Reagan and the chief delegate to the United Nations, Jeane J. Kirkpatrick, our national security policy now rests largely on myths, illusions and faulty judgments.

With insistence and zest, the Administration has taken up the erroneous assumption that Moscow has acquired a nuclear advantage, and that huge programs of new nuclear weapons are needed not only to overcome our supposed inferiority but also to achieve security through superiority. The prevailing judgment has been that our military buildup can compel the Kremlin to accept negotiations on our terms and that if it does not, it will break under the strain of trying to keep pace with us. Actually, the effect has been just the opposite: the Administration's military programs have stiffened the Kremlin's determination to match our military efforts whatever the cost.

Our policies have made Moscow more truculent, more persuaded of our malign intent—therefore more dangerous. This embattled state of mind has also tightened the grip of repressive practices in Soviet society.

This Administration has never treated arms control as truly important to national security, and in its more candid moments has said so. Positions have been advanced in negotiations, not to find common ground but to create the appearance of flexibility as a mask to justify a further buildup. Because the proposals have been so one-sided, they have turned the negotiations into an unproductive forum for invective. Moscow's walkout from the strategic-arms talks cannot be excused—indeed, its policies bear a heavy share of the blame, but so must the Administration.

The limited programs of cooperation set up by the Nixon Administration have all been systematically dismantled. Restrictions on trade relations have tightened. The picador rhetoric of hostility has reached a new crescendo, unprecedented in two decades, with angry exchanges only intermittently and tactically constrained. Recently, the Administration revived John Foster Dulles policy of "rollback" in Eastern Europe—whether as serious policy or merely campaign rhetoric is not clear. The only plausible explanation for the overall course is that those with a dominant voice in the Administration have a not-so-hidden agenda leading toward confrontation, in the mistaken belief that we can force the Russians to buckle. In effect, that agenda has been advanced by Moscow's lack of restraint in exploiting opportunities in the third world and in its military programs—for example, in deployment of the SS-20 missiles.

The absence of strong, self-confident political leadership in the Kremlin during a prolonged succession process has made it difficult to exercise control over the military establishment. But the Soviet leadership, whatever its present condition, faces major economic problems, heightened by the prospect of still greater deflection of resources to the military sector in order to keep up with America. Whether Moscow's concern about this is powerful enough to bring it to accept negotiated limits on the military competition is not entirely clear. That possibility should be tested by serious American efforts to shape agreements that serve both nations' legitimate security interests. Such efforts need not presuppose trust or involve illusions about benign Soviet purposes; they depend only on the extent to which Moscow recognizes its self-interest in reducing the risk of war.

Until this Administration, both parties and recent Presidents—Eisenhower, Kennedy, Johnson, Nixon, Ford, Carter—have sought to reduce the danger of nuclear war by limiting nuclear weapons through negotiation. They did so not because they liked the Soviet Union, nor out of any disregard for the military balance, but because they understood that our security requires more moderate and more stable levels of nuclear arms, not unregulated military competition. Our Presidents did not all succeed—but, until now, they have tried.

Restoration of this commitment and creation of a politically effective bipartisan constituency in support of it must be America's No. 1 priority. We can achieve it only through honest discussion and debate—not by bitter, harsh and grotesque simplifications that call into question the patriotism of Americans who believe in the wisdom of the course taken by six Presidents of both parties. As for the Democrats, they would err grievously if, in pursuit of hard-line supporters, they were tempted to compete with the Reagan Administration's extremist appeals.

More than the outcome of the election is at stake; the nature of the debate will affect the level of understanding and the climate of opinion that will influence our policies whoever is elected. If America is to make a new start after the campaign, responsible people, Republicans and Democrats alike, must immediately begin to address the issue of nuclear arms with the seriousness it deserves. There is a potentially lethal reality we must face; what, in the end, will it profit any candidate to win an election but suffer the loss of the peace that so many loyal and dedicated Americans have fought so hard to preserve?

Mr. MOYNIHAN. Mr. President, will the Senator from Wisconsin yield for a comment?

Mr. PROXMIRE. Mr. President, I am happy to yield to my good friend from New York.

Mr. MOYNIHAN. I thank him on behalf of the many of us in this body who read the article he refers to by former Governor Harriman, Mr. Shulman, and Clark Clifford, former Secretary of Defense. It was extraordinarily persuasive and troubling in just exactly the terms the Senator from Wisconsin has stated. I, for one, express my appreciation that he has opened this final session of this Congress with this matter.

Mr. PROXMIRE. Mr. President, I thank my good friend from New York. There is nobody in this body who has had more successful experience in foreign policy. We all know the fine record he had as Ambassador to the United Nations and there is nobody whose support I would rather have on this issue.

LODZ GHETTO SURVIVORS REUNITE 40 YEARS LATER IN REMEMBRANCE

Mr. PROXMIRE. Mr. President, on August 12, nearly 1,500 Holocaust survivors from the Lodz ghetto gathered at Kiamesha Lake, NY. They assembled to meet old friends, to search for fragments and figures from the past, and to remember one of the most harrowing ordeals any human being could ever experience.

They came from all over this country and throughout the world for their reunion, but nearly all of them had the same hometown: Lodz, Poland, once the second largest Jewish community in Europe.

Their gathering last month was the largest collection of Lodzers, as they call themselves, to assemble in one place since 1944—that is, since the last transport of Jews left the Lodz ghetto and headed for the Nazi concentration camp at Auschwitz.

The participants comprised a large part of the estimated 7,000 to 10,000 ghetto residents who survived World War II. Before the Holocaust, Lodz had 250,000 Jewish residents.

Like other ceremonies and reunions for surviving victims of the Jewish Holocaust, this reunion was special to the Lodzers—for to people whose past has largely been eradicated, every reunion and every discovered remnant is precious.

They naturally share a common affinity. Since the Nazi occupation of Lodz in September 1939, these people were faced with the possible extermination of their entire religious race. Yet, they survived.

Over 40 years ago, in a ghastly display of man's capacity for cruelty and destruction, their community was decimated by the brutal forces of the Holocaust. But their presence today testifies to the even greater capacity of men and women to endure the most severe trials and to build a new existence out of love for life and faith in God and one another.

What these people in the Lodz ghetto experienced should never be forgot. And yet, Mr. President, it is a sorry time when, from the memory of man, ceremonies and reunions are held for the remembrance of historical atrocities.

Santayana's acute characterization of "those who do not learn from history are those who are condemned to repeat it," and Hegel's melancholy reflection on "the only thing we learn from history is that we never learn from history" do not go far enough. It may be that each generation fails to learn from the experience of its predecessors, but some generations, I am sorry to say Mr. President, even fail to learn from their own experience.

Mr. President, reunions, memorial ceremonies and congressional declarations are good but they are not good enough for this country or for the survivors of the Lodz ghetto—we can do better.

We must not only preserve within ourselves and future generations the memory of historical genocide, we must also commit ourselves to an unswerving legal conviction as well.

This is why I urge the Senate to ratify the Genocide Convention.

GERALDINE FERRARO'S REMARKABLE PERFORMANCE UNDER FIRE

Mr. PROXMIRE. Mr. President, on Monday, August 20, GERALDINE FERRARO, the Democratic nominee for Vice President of the United States, held a press conference to disclose her income tax returns and those of her husband during the 5 years she had served in the House of Representatives and to answer questions at what can only be described as a massive press conference, in fact, the biggest press conference I have ever seen. The press conference took place on the first day of the Republican National Convention in Dallas but the attention of the country concentrated on Democratic Vice Presidential nominee FERRARO and her grilling by an aggressive and zealous press. For nearly 2 hours, the press hammered questions at GERALDINE FERRARO, most of them tough and hostile. Mr. President, if any candidate for national office has ever been through this kind of exhaustive, detailed questioning on their finances or, indeed, on any other subject, this political junkie has never heard of it.

From the beginning, the questions were skeptical. They were obviously probing for some sensational conflict of interest, or perhaps a breakdown of the nominee under the steady, relentless barrage of hostility. Keep in mind that GERALDINE FERRARO's family—her husband and her children—had suffered painful distress from press innuendos that implied corrupt or at least unethical conduct.

So what did the biggest disclosure of financial records by any candidate who has ever run for the Presidency or Vice Presidency and 2 hours of questioning on those records bring forth? First, they showed the nominee and her husband are not perfect. They made mistakes, as almost all of us have. They did, indeed, act in the haste of the campaign too quickly on one or two occasions. The nominee's husband did also, one year, underpay his income taxes—Federal, State, and local—and by a substantial amount. The nominee and her husband may or may not have complied with the limitations on financial congressional campaigns in her first congressional election in 1978. So—yes they did make mistakes.

But three big facts emerged from that press conference and the financial documents GERALDINE FERRARO released. First, the nominee and her husband paid their Federal, State, and local income taxes in greater proportion to their income than most Americans. In fact, they paid a whopping 40 percent of their income in income

taxes. This was a particularly extraordinary showing because real estate, which is the business in which the nominee's husband works offers such a conspicuous series of perfectly legal opportunities for real estate operators to reduce their tax liability. Unlike many Americans and including Members of the Congress, here was a family that not only paid their taxes in full and on time but obviously made no real effort to reduce their tax liability. For a family that had faced 2 weeks of criticism and widespread speculation that they had engaged in tax avoidance on a big scale, this was a startling revelation, a big plus for GERALDINE FERRARO.

Second, the Democratic Vice Presidential nominee pointed out that she had voted as a Member of the Congress consistently and overwhelmingly against the interests of the real estate industry. Mr. President, I cannot exaggerate the importance of this fact. What is the purpose of our disclosure and ethics laws? Is it not to prevent conflict of interest? Is it not to stop a Member of the Congress from using the office for personal or family enrichment? So what does the Ferraro record show? The voting record of the Democratic Vice Presidential nominee flatly rebuts and repudiates any charge that she used her office for enrichment. In this age of political action committees spending millions of dollars in campaign contributions to buy special advantages for their industry, at this time when lobbyists representing the richest and most powerful special interests in this country lavish gifts, trips, entertainment, and all manner of goodies on Members of the Congress, GERALDINE FERRARO's public record establishes that she did not use her power as a Member of the Congress to advance in any way the interests of the one industry whose advantages could most surely have enriched her family.

And the third big fact that emerged from the Ferraro press conference was the remarkable poise and grace under fire shown by GERALDINE FERRARO. One reporter was reminded by the way the reporters went after FERRARO of the lions going after the Christians in the Roman Coliseum. But in this case, as the reporter observed, it was Christians 10, Lions 0.

Mr. President, GERALDINE FERRARO may or may not become Vice President of the United States in the November election, but the way she met that inquisition should reassure every American that, if she should become Vice President or President, she could and would handle either office with integrity and also with courage, intelligence, and resolve.

At the end of that remarkable and unprecedented press conference, the press that had been so largely hostile showed how impressed they were by her performance. They did something members of the press scrupulously avoid, something this Senator has never seen done by the press at a press conference; they gave her a rousing ovation. She earned it.

HEALTH CARE FINANCING ADMINISTRATION WINS AUGUST FLEECE

Mr. PROXMIRE. Mr. President, I gave my Golden Fleece of the Month Award for August to the Health Care Financing Administration for a 4-year braining of the taxpayer because it approved medicaid payments to psychiatrists for "chance meetings" while patients were attending basketball games, sitting on a stoop, or preparing for a party. The price tag for these close encounters of a costly kind—$54 a clip—could have cost between $40 to $80 million over the last 4 years.

Because of this staggering Freudian slip, HCFA deserves a dressing down. To couch plainly this criticism, HCFA should shrink this spending.

This situation developed because medicaid regulations are vague about what constitutes medically justifiable treatment and billable encounters. As a result, services which are mainly social, recreational, or educational in nature are paid for as though they are medically justifiable. HCFA also lacks a formal definition of a billable encounter so local officials have informally defined them as "any contact of a theraputic nature lasting 15 minutes."

Because of these ambiguities, HCFA paid for billable encounters which took place in hotels, nursery schools, or day centers. They could take place by chance "* * * in the office, on the stoop, in the patient's room, even on the elevator."

Young and old alike, the patients sampled averaged over 200 billable encounters a year. Of the sample, HCFA paid for 36 percent which had no justification. Another 23 percent were justified to HCFA as follows:

"Patient attended basketball game."

"Patient seen in baking group."

"Seen today."

"Went to see (patient) today."

"Patient seen in lower lobby. Conversation about Valentine's party. In peaceful mood."

"Patient participated in party preparations."

"Patient played checkers."

In each instance, HCFA paid at the authorized clinic rate of $54 per visit. These are but some of the examples paid for at this rate.

In Wisconsin, bartenders perform many social, recreational, or educational services which look suspiciously similar to those cited above. But they usually do so for the price of a draft beer, which is a lot less than $54. They have yet to ask the taxpayer to pick up the tab.

HCFA has ignored this problem even though they agreed 4 long years ago that "the situation deserves further investigation and corrective action." According to the inspector general, "Though HCFA initially agreed with us that medicaid standards for outpatient psychiatric services were needed, they have not taken the necessary implementing action."

Mental health is a true national medical problem and must be addressed seriously. HCFA's inaction in solving this billing problem diverts resources from those who truly need help. That is the tragedy in this situation.

For not minding the store, HCFA richly deserves the August fleece.

WHY OUR AMBASSADOR TO FRANCE SHOULD NOT CASTIGATE THE FED FROM PARIS

Mr. PROXMIRE. Mr. President, on July 20 I wrote to Secretary of State George Shultz protesting an extraordinary press conference called recently in Paris by our Ambassador to France. That press conference was extraordinary because it was called to criticize the policies of our Federal Reserve Board. On August 7 Ambassador Evan Galbraith wrote me an explanation of his criticism of the Federal Reserve Board. Mr. President, the content of that letter suggests that whatever Ambassador Galbraith's qualifications to be Ambassador to France may or may not be, he certainly is not qualified to provide useful advice to anyone on our monetary policy. Ambassador Galbraith violated at least three widely observed and wise policies in criticizing the Federal Reserve Board. Even if his criticism had solid merit, it would have been badly out of place. But what Galbraith prescribed as monetary policy for the Federal Reserve Board was not only coming from the wrong person, under the wrong circumstances at the wrong time, it was grossly wrong in substance.

Why is Ambassador Galbraith the wrong person to criticize the Federal Reserve Board? Because he is our Ambassador to France. His duties by the widest stretch of the imagination do not in any way, shape or form relate to the Federal Reserve Board. As our Ambassador to France, Mr. Galbraith has a heavy and time-consuming responsibility handling our relations with one of our most important friends and allies at a critical and difficult time from the standpoint of military, political, and trade policy. Those duties do not include taking shots at domestic agencies in the United States and especially at the Federal Reserve Board, an agency whose independence

of the executive branch is one of the most critical hallmarks of its integrity.

Second, why were the circumstances for Ambassador Galbraith's criticism so appallingly bad? Because administration after administration, including the Reagan administration, has been rightly concerned about any Americans criticizing our country from abroad.

Whether it is an American who travels to Cuba or to Moscow or in this case to Paris, this country's policies cannot be strengthened when our citizens tell foreigners in their country how mistaken our country is. Now, if this is wrong for a private American citizen—and it is—what kind of an example does it set for plain American citizens when the administration's own prime spokesman in a foreign country—our Ambassador—deplores the policies of the Federal Reserve Board, an agency whose independence of the executive branch is critically important to the credibility of its operation?

Third, why do I say the timing of the Ambassador's remarks were wrong? They were wrong at this time because they directly contradicted the position taken on Federal Reserve policy by both the President of the United States and the Secretary of the Treasury, both of whom had stated their agreement with the Fed's policy throughout 1984.

Why do I say the Ambassador was wrong on the substance of his remarks? Here is why: The heart of Ambassador Galbraith's criticism of the Fed was that it had failed to increase the money supply to keep pace with the growth of nominal GNP. As the Ambassador put it in his letter to me of August 7:

> Over the last year our money supply had grown (about 7 percent substantially less than our gross national product (about 11 percent nominal).) The resulting shortage of money which resulted from Fed policy, was the proximate cause of this year's rise in short term interest rates.

What does this mean? It means Ambassador Galbraith advocates a Fed policy that would keep the money supply running in tandem with the nominal GNP. What is wrong with that? Plenty. It means that the more exuberant the growth in the GNP—the more expansionary the economy—the more this Galbraith policy would reinforce and feed this exuberance with an accommodating monetary policy.

Mr. President, I have listened to scores of monetarists who have testified before the Senate Banking Committee in the 27 years I have served on that committee. I can say without any fear of contradiction that not a single competent economist would agree with the policy advocated by Ambassador Galbraith. To follow this Galbraith policy would mean that when the economy expanded and inflationary pressures flowed from the growing economy, the Fed should accommodate that growth, nurse it, feed it, and in effect push the inflationary forces ahead. The Fed would, indeed, become a rampaging, out-of-control engine of inflation. On the other hand, following the same logic, when the economy slowed down, moved into recession and the real GNP declined, the Fed should, following the Ambassador's logic, slam on the brakes and restrain credit, so the money supply would move in tandem with the reduced need for credit.

What is wrong with this Galbraithian prescription? Everyting. As former chairman of the Federal Reserve Board, William McChesney Martin, used to say, the policy of the Fed should be to lean against the wind. It has the painful job of closing the bar and locking up the liquor when the party is just beginning to get exciting. The Galbraith policy would reverse this. Instead of moderating the inflationary expansions and the recessionary slowdown of the economy, as Chairman Martin's policies and Chairman Volcker's policies have done, it would aggravate our economic swings.

So, Mr. President, I hope that in the future the State Department would require Ambassador Galbraith to write in bold letters on his bathroom mirror so he will see it every morning when he shaves, "As long as I am an Ambassador of the United States and serving abroad I will not criticize domestic agencies, and especially agencies that must serve independently of the executive branch."

I ask unanimous consent that my letter to Secretary of State Shultz and the Galbraith response be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 20, 1984.

Hon. GEORGE SHULTZ,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: I am writing to protest the actions of Mr. Evan Griffith Galbraith, President Reagan's Ambassador to France, who recently issued a press release and convened a press conference at the Embassy in Paris, in order to publicly lecture Chairman Volcker and the Federal Reserve Board on monetary policy.

I always understood the job of American Ambassador was to present our government's views to, and report on developments in, the countries to which they are assigned. Did President Reagan give them the additional responsibility of publicly advising the Chairman of the pre-eminently independent Federal Reserve Board on monetary policy? If so, when?

In that regard I note that if any American Ambassador is qualified to offer the Federal Reserve advice on monetary policy it is Dr. Arthur Burns, our Ambassador to West Germany and a former distinguished Chairman of the Federal Reserve Board. But Dr. Burns has good sense and understands that the Federal Reserve was created by Congress to ensure specifically that decisions on monetary policy are made independent of Presidential or Administration pressures. In my view Ambassador Galbraith's public criticism abroad of the Federal Reserve was an appalling, but perfect example, of an exercise of poor judgment by a high official.

Please let Mr. Galbraith know that I hope he will spend the remaining period of his service as Ambassador looking after our country's interests in France. That job, after all, did have enough inherent worth to help Benjamin Franklin and Thomas Jefferson from being too bored for a number of years. That ought to be good enough for Ambassador Galbraith.

Sincerely,

WILLIAM PROXMIRE,
U.S. Senator.

DEPARTMENT OF STATE,
Washington, DC, August 7, 1984.

Hon. WILLIAM PROXMIRE,
U.S. Senate.

DEAR SENATOR PROXMIRE: I write in reply to your letter of July 20 to Secretary Shultz protesting the press conference I held last month in Paris on the role and policies of the Federal Reserve Board.

Over the last year in France writers, officials and other prominent individuals have consistently criticized the United States Government for the high level of dollar interest rates. This criticism has often been bitter and our Communist adversaries have sought to exploit the widespread resentment. Because of my living in Europe for the last twenty years and because of my perceived experience in financial and economic matters, French journalists frequently question me about our economic policies.

In the interests of the United States and its foreign policy, I finally deemed it prudent to explain to the French and others in Europe about the predominate role of the Federal Reserve Board in regard to interest rate levels. Most people did not appear to understand that the Fed policy is largely determined independently from the Administration and the Congress. I pointed out that over the last year our money supply had grown (about 7%) substantially less than our Gross National Product (about 11% nominal). The resulting shortage of money, which resulted from Fed policy, was the proximate cause of this year's rise in short term interest rates. I reinforced this conclusion by demonstrating that our Gross Savings this year, because of our high economic growth and our declining government deficit, will probably increase more than the increase in the demand for credit and capital. Such a phenomenon of supply exceeding demand should lead to lower interest rates, but the natural result of supply versus demand can be overcome today by a restrictive money supply policy. I emphasized that targeting money supply growth in relation to growth in GNP is a difficult business and that the Fed was not alone in underestimating the rate of our growth in GNP over the last year. This is an area where reasonable men can differ, but it is not justified under these circumstances simply to blame a rapidly declining net government deficit as the cause for rising interest rates. One must look to the Fed and it could, in my opinion, be slightly more accommodating without reactivating inflation. Our present interest rates are unnecessarily too high.

I thought it necessary in my press conference to explain that in judging the impact of the Federal deficit on the credit markets one must include the budget surpluses of

our state and local governments. The need to make this calculation is demonstrated by the $86 billion of grants-in-aid by the Federal government to the states. These grants increase the Federal deficit by their amount, but the $64 billion or so that the states and local governments have accumulated (faster than they can spend it) is put back into the credit market (Treasury bills, deposits, etc.) and compensates in large part for the amount the Federal government borrowed to make grants to the states. The money goes around in a circle, hence the need to arrive at a net figure. Indeed this is what the Commerce Department does in our National Income Accounts. Today for example, our Federal deficit is about $170 billion and declining, and the state and local surplus is nearing $65 billion and rising. By the end of this calendar year our net government deficit will probably be less than $100 billion and not the $200 billion commonly cited.

I thought it to be in the interest of the United States to bring an appreciation of this analysis to the public in France by an act of what is known today as public diplomacy. You may disagree with this approach, but I think the United States is now better understood in France as a result of my having done so.

Certainly the demands on Franklin and Jefferson widely exceeded the demands on us less endowed Ambassadors today, but I must believe that these most inventive gentlemen would also have used the modern media, had it existed, to further the interest of the United States.

I close by assuring you that I hold the members of the Federal Reserve Board in high esteem. I see no reason, however, why they as public officials should be above public debate. Surely neither Franklin nor Jefferson would have granted them special immunity.

Sincerely,

EVAN G. GALBRAITH,
American Ambassador to France.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond 1 p.m. with statements therein limited to 10 minutes each.

The Senator from Idaho is recognized.

KAL FLIGHT 007

Mr. SYMMS. Mr. President, a year ago last Saturday the civilized world was shocked by the coldblooded murder of 269 innocent men, women, and children aboard a civilian airliner—KAL flight 007—shot down by a Soviet fighter plane over the Sea of Japan.

We still do not know all of the facts and circumstances of that disaster. But we certainly know enough to draw some firm conclusions and to learn some important lessons.

We know, for example, that the KAL flight was not engaged in any kind of spy mission, which has often been alleged by the Soviets and their sympathizers. We also know that it wasn't shot down by mistake, but was destroyed on orders from the Kremlin. We also know that the No. 1 anti-Communist in the Congress, Dr. Lawrence McDonald of Georgia was on board—for the Soviet intimidators this was indeed a prize. The Soviets, in other words, knew exactly what they were doing. They chose to snuff out innocent human lives, and defy the fundamental principles of international law and civilized behavior, in their ruthless pursuit of military and strategic advantage.

In the year since the KAL disaster, the Soviets have offered no apologies, nor have they made any restitution to the victims. But they have decorated the fighter pilot who shot down the unarmed airliner and its passengers, calling him a "hero" for protecting the U.S.S.R.'s "sacred borders." And the Kremlin's leaders have implied that they would respond in the same barbaric way if they had the chance to do it again.

The U.S. response to the KAL 007 outrage has been surprisingly mild. We have not quite forgotten the atrocity but, as the Washington Times put it in an editorial last Friday, our posture has been "to speak loudly and carry a small twig." We have spent much of the last year, the Times noted, "turning the other cheek": easing restrictions on the Soviet fishing industry, renewing trade agreements, resuming cultural exchange talks, and so forth.

Ignoring the lessons of history, we persist in the foolish notion that we can conduct business and diplomacy as usual with Moscow's "evil empire," repeating the same tragic mistake of Western governments that appeased Hitler prior to World War II.

The late Congressman Larry McDonald—the most famous victim of the KAL 007 tragedy—spent much of his career in the U.S. House of Representatives warning his colleagues and his country that a refusal to face up to the reality of Soviet terrorism and treachery not only repeats the dangerous errors of the past but threatens the very future of Western civilization. But McDonald's warnings have gone largely unheeded. Shortly before his death, McDonald warned us about the danger of transferring our technology to the Soviets. But as Jeffrey St. John noted in his excellent book on the KAL 007 flight, "The Day of the Cobra":

> It is ironic that the very radar guidance system he sought to keep from enemy hands was the instrument that tracked his death.

St. John also noted that there is strong, if not conclusive, evidence that the destruction of the KAL flight was premeditated—including the possibility that the plane was purposely lured off course electronically by the Soviets, or even hijacked at gunpoint, so that the Kremlin could "legally" shoot it down over their airspace.

Since the end of World War II and the start of the cold war the record of Soviet behavior in the skies has followed a consistent, almost predictable, pattern,

St. John says in his book:

> Between April 1950 and September 1983 the Soviets shot at or downed 29 civilian and military aircraft with the loss of hundreds of lives. Between October 15, 1945, and July 1, 1960—a period prior to the development of sophisticated satellites and electronic intelligence technology—81 U.S. military personnel lost their lives in 27 separate incidents due to the Soviets' downing of military reconnaissance aircraft . . .
>
> . . . Bruce Herbert, deputy director of the Washington-based Center for International Security, a military and intelligence "think tank," maintains that the Soviets violate U.S. airspace sometimes as much as a hundred times a year . . . Herbert points out that the Soviets, while insisting on the sanctity of their own borders and territorial waters, are "routinely hypocritical" about intruding Western airspace and sending submarines into territorial waters of other nations. Soviet diplomats caught spying are regularly expelled from free and not-so-free nations.

This is the double standard, and the two-faced enemy we are dealing with, as the late Congressman Larry McDonald so often warned us. That enemy continues to slaughter countless civilians in Afghanistan, to crush the smallest sprout of freedom or dissent in Poland, to foment violence and terror in the Middle East, Central America, and elsewhere around the globe.

To attain unilateral advantage, that enemy routinely violates arms control agreements and other treaty obligations. It not only walks away from Olympic games, but nuclear arms talks as well. The Soviet record of treaty violations and noncompliance should certainly give pause to those who have been calling for new arms agreements that are unverifiable and unenforceable.

And the anniversary of the Soviets' murder of those 269 innocent civilians aboard the unarmed KAL 007 flight should also be a forceful reminder that our security can never rest on promises of peaceful intentions or good behavior from Moscow. A strong U.S. defense and eternal vigilance are the only guarantees of peace for the United States and the free world.

I should like to add to the RECORD two excellent articles on the destruction of KAL flight 007. The first, entitled "Soviet Priorities and Flight 7," was coauthored by William C. Green and David Rivkin, Jr., and published in the Journal of Defense and Diplomacy. This article discusses the widespread, media-perpetuated myth that Soviet "paranoia" explains, and in some quarters, justifies Soviet aggressive or barbaric behavior. As Richard Pipes has written:

Suffice it to say that in 1898, a group of Russian military specialists completed a comprehensive history of Russian warfare and concluded, with pride, that in the thirty-eight wars which it had waged since 1700, Russia had fought only two defensive campaigns—the other 36 were offensive.

The article explains the KAL massacre, not as an isolated episode, but as totally consistent with Soviet military doctrine, and as illustrative of Soviet disregard for adverse publicity or any political consequences.

The second article, "What Really Happened to KAL Flight 007," was written by Viktor Belenko, a Soviet defector, formerly a pilot in the Far East Air Defense Command. His perspective on the KAL atrocity is far more credible than many Western press reports that have sought to give the Soviets an excuse for this abomination.

Mr. President, I also bring to the attention of my colleagues an article entitled "Stopping Soviet Strategic Advances," published in the Wall Street Journal of today, Wednesday, September 5, 1984, written by Mr. William Kucewicz, who is a Journal editorial writer.

I urge my colleagues to read this very important article. One of the most chilling aspects of the article is the fact that very little has been reported in the Western press on the SS-20 tests. This Senator put in the RECORD an article published in the Baltimore Sun with respect to the SS-20 tests.

The SS-20 can no longer be viewed as an intermediate range missile threatening Europe and Asia, because the SS-20 has now been tested on a Polar trajectory. Six SS-20's were fired over a Polar course and were destroyed after they had established their trajectory, which now demonstrates that the SS-20 has the potential of being an ICBM capable of hitting the United States mainland.

I quote from the article:

Not only have the majority of U.S. intelligence analysts heretofore underestimated the range of the SS-20, but they also have played down the number of these missiles being produced and deployed by the Soviet Union. The latest official U.S. statements cite 378 deployed SS-20s. In fact, the number of completed SS-20 launchers currently stands at 400, with another 20 under construction—nearly double the number deployed when President Reagan took office.

Mr. President, I cannot help noting that there often is a great deal of criticism toward President Reagan for not having had the opportunity or the occasion to sit down with his Soviet counterparts. Since President Reagan has taken office, I must note that two Soviet leaders have died in office—Mr. Brezhnev and Mr. Andropov. Now Mr. Chernenko seems to have dropped from sight.

Also, this has happened during a time period when the Soviets have been exposed for violating many of the treaties which the President has spoken to: the ABM Treaty, the SALT I Treaty, the intent of the SALT II treaties, the antibiological warfare treaties. Clear violations of many of these treaties have been pointed out by this administration, in addition to the very dastardly, cold-blooded murder of 269 innocent men, women, and children.

So I am not sure there is anything the President can discuss with the Soviets in their present state of mind.

I heard my good friend from Wisconsin insinuate in his remarks that he thinks President Reagan most likely will be reelected. That does look very probable right now; I certainly hope so. In fact, I think that after he is reelected, it will be a period of much better opportunities for peace and tranquility than if the contrary takes place. I say that because I think that if the United States can maintain a firm posture of a restoration of our own capabilities for deterrence, which we are now doing, with the fact that the first B-1 bomber rolled off the production line this week—if we can do that, restore our credibility with respect to our strategic deterrence to the Soviets, with the reelection of a very strong President, then the Soviets might be ready to sit down and talk with the United States in some kind of meaningful, verifiable reduction in the arms of destruction which are so prevalent in the world.

It is often said that it takes two people to make a romance but it takes only one to start a fight. I think the conduct of the Soviets in the last few years has not been such that they have in any way wanted anything other than belligerence and chilled relations with the United States. Until we are in a position of strength, they will not come to our point of view.

Mr. President, I ask unanimous consent to have printed in the RECORD the articles to which I have referred.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

SOVIET PRIORITIES AND KAL FLIGHT 007

(By William C. Green and David B. Rivkin, Jr.)

The destruction of Korean Air Lines Flight 007 by Soviet interceptors sheds important light on Soviet priorities that guide their actions in many areas of great concern to the West, such as arms control and military intervention. Yet numerous western commentators, anxious not to encourage what they perceive as a current U.S. anti-Soviet bias, are searching for an explanation that would excuse this Soviet outrage and inhibit full recognition of its larger implications.

One such "explanation" is to suggest that the Soviets are not fully responsible for this incident. By analogy with the Anglo-Saxon legal doctrine of the insanity defense, it is claimed that the well-known Soviet "paranoia" absolves or at least mitigates Soviet guilt. This view of Soviet motivations has long been used to rationalize what might otherwise appear to be aggressive and aberrant Soviet conduct. Proponents of this perspective argue that the long Russian history of invasion and suffering has conditioned the Soviet Union into excessive preoccupation with security.

Such Soviet actions as invading Czechoslovakia and Afghanistan, building up its military machine far in excess of legitimate defense needs and suppressing even the most innocuous internal dissent are frequently interpreted as the defensive overreactions of a frightened nation. Since Soviet excesses supposedly arise from this preoccupation with security, any possible threat to the West can be discounted. Western countermeasures are deplored as adding to Soviet paranoia and triggering further reactions.

This view of Soviet behavior is not substantiated by available evidence. While the Soviet press routinely assigns the most malign intentions to the West, actual Soviet behavior shows a realistic assessment of western capabilities and will. Therefore, a more tenable view is that the Soviet Union is a dispassionate, pragmatic and cold-blooded superpower that does not shirk at any action that would serve its political goals. The shooting down of KAL Flight 007 should be no exception to this pattern.

The weakness of the paranoia theory of Soviet behavior has come to be recognized by some would-be apologists, but this recognition seems only to have led to a more refined defense of the Soviet political establishment. Rather than viewing the entire elite as paranoid, it is seen as split between sober, détente-minded doves and adventurist hawks. The latter are said to be responsible for aggressive Soviet actions. A number of commentators have suggested, along these lines, that the decision to shoot down the Korean airliner was made by high Soviet military commanders without the sanction of the political leadership. This view implicitly absolves the Soviet leadership from responsibility. Unnamed Soviet sources have even claimed that President Yuri V. Andropov was not in Moscow when the shooting occurred and hence cannot be held accountable.

This image of Soviet military independence or insubordination does not square with what is known about the tight controls maintained over the military by the Soviet political leadership. For example, every military unit has a political officer directly responsible to the Central Committee of the Communist Party through the Military Political Administration of the Armed Forces, which is outside the regular military chain of command. No Soviet military officer is assigned a billet without party clearance. The military's fidelity to party direction is further assured by extensive KGB presence and oversight of military activities. In addition, the image of Soviet military independence does not square with the essential similarity of views shared by party, military and other members of the leadership.

Another explanation of the shooting is that it was a mistake. This claim, originally put forth by unnamed Soviet sources, was subsequently elaborated upon by Gen. Col. Semyon F. Romanov, chief of the Soviet Air Defense staff. He contended that the KAL Boeing 747 was mistaken for a U.S. reconnaissance plane, an RC-135, which had been operating in the area.

This claim is implausible. The two aircraft had been separated by a considerable distance, and the RC-135 never entered Soviet airspace. By the time the KAL jetliner was shot down, the RC-135 had been on the

ground for over an hour. Moreover, the two planes have vastly different sizes, configurations, radar profiles and other emission signatures. It is common practice in both air defense and antisubmarine warfare to computer process emission signatures, comparing them with the known signatures of other systems for positive identification. The Soviet Far Eastern air-defense controllers are undoubtedly thoroughly familiar with the RC-135, which routinely flies intelligence missions in the area, and even if the Soviet ground-based radar was unable to correctly identify the Korean airliner, the SU-15 Flagon that carried out the attack came close enough to see its navigational lights.

Soviet sources also claim that the KAL 747 was on an intelligence mission, implying that the act of gathering intelligence is inherently sinister, justifying the most extreme responses. Yet both the SALT I and SALT II treaties, to which the Soviet Union is a signatory, explicitly permit the use of "national technical means of verification," including aircraft, to verify compliance with treaty provisions. In fact, the RC-135 had been dispatched to monitor a Soviet test of a new missile—either the PL5 or the SSX-24—to determine its compliance with SALT II. In two previous tests of these missiles, its telemetry had been heavily encrypted, leading U.S. intelligence to believe that the Soviet Union might have been violating the terms of the treaty. The Soviet Union also knows that the slow and relatively defenseless RC-135 would not be used for a mission requiring overflight of Soviet territory. If such an overflight was intended, the high and fast-flying SR-71 Blackbird would have been used. Overall, the mistake excuse will not hold up.

If paranoia, military insubordination or mistake was not responsible, how could this brutal act be explained? The Soviet leadership had to anticipate that this tragedy would provoke western indignation and might interfere with its ongoing attempt to influence western European and U.S. peace activists into pressuring their governments to halt modernization of theater and strategic nuclear forces. It might have also interfered with a number of important trade deals, including U.S. grain sales. Yet these potential costs notwithstanding, the Soviet decision to shoot down an aircraft straying into its airspace is consistent with the overall pattern of recent Soviet behavior.

In the last several years, the Soviet press has attacked western efforts to restore the balance in both nuclear and conventional weapons. The Soviet leadership views these efforts as intended to restrict their warfighting capability and to limit the political leverage of their military power. It should be stressed that the Soviet assessment of the western "threat," although perennially laced with unchanging propaganda cliches, did undergo a subtle change of emphasis in the late 1970s. This was triggered by the conviction of the Soviet leadership that the international environment was undergoing a profound change. Although the western world has been continuously attacked in Soviet pronouncements as intolerantly aggressive and anti-Soviet, in the late 1960s and 1970s they also claimed that a change in the global balance of power favoring the Soviet Union (the so-called "shift in the correlation of forces") diminished the threat of war by constraining western options.

By the late 1970s, however, a different theme emerged. It was alleged that the most aggressive and reckless members of the U.S. ruling elite were determined to reverse the shift in the correlation of forces and roll back Soviet power. Soviet military spokesmen now claim that the danger of war is at the highest level since World War II.

The issue of how to respond to the western effort to reestablish strategic equilibrium has dominated the Soviet policy agenda for the last several years. It was closely connected to the struggle between Andropov and Konstantin Chernenko over the Brezhnev succession. There are good reasons to believe that Andropov's victory, and especially the military's support of his bid for power, are the result of his being identified with tough and capable leadership.

Under Andropov, the Soviet Union has continued its policy of countering western efforts to restore the geopolitical balance by simultaneously cajoling western public opinion into unilateral restraint while emphasizing the threatening nature of unconstrained Soviet military actions which might ensue otherwise. Shooting down an intruding aircraft highlights this second facet of Soviet policy by demonstrating the extent of Soviet military preparedness and underscoring its willingness to discard all restraints upon the use of force.

The KAL 007 incident is not an isolated episode. The emphasis on the military ability of a given action and the near-total disregard for adverse publicity and political costs involved is demonstrated by repeated intrusions of Soviet submarines into Swedish and Norwegian territorial waters, including penetrations into restricted and militarily sensitive areas. This behavior has changed Northern European public opinions and damaged such longstanding Soviet political goals as the creation of a Nordic nuclear-free zone.

In addition to these broader policy considerations, Soviet actions were strongly influenced by the events of the previous occasion when the Soviet military fired upon a commercial airliner. At that time, in 1978, another Korean Air Lines jet strayed off course and penetrated over 1,000 kilometers into Soviet airspace before it was forced down. Although many western commentators asserted that the Soviet Union did not detect the airliner until it was far into Soviet territory, this contention cannot be seriously considered, in view of the large radar signature of the Boeing 747 and the location of the incident—the Kola Peninsula, site of the Soviet naval base at Murmansk, which contains the heaviest concentration of air defense assets in the world.

Instead, the delay was the result of the local Soviet commanders being faced with a situation for which they had no orders or precedent to follow. The decision had to be referred first to the Moscow-based Air Defense Headquarters and then to the political leadership, which subsequently authorized the local air defense command to fire upon and force down the jet. This was done with a loss of two lives. In the aftermath of this event, the Soviet military requested and obtained predelegated authority to implement a standard set of procedures to handle similar situations and avoid *ad hoc* decision-making. These procedures were strongly influenced by the widespread western denigration of Soviet air defenses in particular and Soviet military competence in general that followed the 1978 incident.

In the last several years, Soviet air defenses have been reorganized. Previously, the Soviet Union had *two* air-defense services. The National Air Defense *(PVO strany)* provided protection from strategic attack, while the Air Defense of the Ground Forces *(PVO sukhoputnikh voisk)* covered Soviet ground force operations. Now both services have been merged into one organization—the Troops of Air Defense. The command and control mechanism associated with air defense functions also underwent a transformation. Prior to the merger, the Moscow-based Air Defense Headquarters, commanded by Marshal of Aviation Aleksandr Koldunov, had exercised operational control over air defense assets. Subsequently, this control was transferred to the commanders of the 16 Soviet military districts and to the commanders of the groups of Soviet forces abroad.

In the case of the Far East, which the Soviet leadership views as a key area, a separate command and control entity, superimposed on the military district structure, has been created—the Far Eastern Theater of Military Operations (TVD), with its headquarters in Chita. This TVD was created in 1977 or 1978. The last time such an entity existed in the Far East was during the Korean War. The Soviet military believes that in case of war, TVD's would provide the best framework for large-scale integrated planning of strategic operations. Soviet military writings have stressed the need for preparing suitable wartime organization prior to the outbreak of hostilities.

Reviving the Far Eastern TVD is a consequence of a Soviet assessment that the potential for conflict in the region is growing. The Soviet military infrastructure in the Far East has been vastly expanded, making it one of the most heavily militarized areas in the world. In the last two years, according to *Air Force Magazine*, the Soviet Union has "allocated more new fighters and interceptors to their Far East forces than the entire PACAF (U.S. Pacific Air Force) inventory." The Soviet Union has also fielded 108 SS-20's in Asia, enabling it to provide redundant coverage of all regional targets. The Soviet Pacific Fleet is the largest and most modern of its four fleets. It contains 85 principal surface combatants, 30 ballistic missile submarines (constituting 40 percent of the entire Soviet inventory), over 90 attack submarines, 130 long-range bombers, including over 30 Backfires, and the largest single contingent of Soviet naval infantry.

Since 1978, the Soviet Union has also upgraded its military infrastructure around Japan at a dramatic pace. A motorized rifle division is stationed on the occupied Kurile Islands of Etorofu, Kunashiri and Shikotan in close proximity to Hokkaido. In addition to the standard divisional equipment, the Soviet troops on these islands are complemented by a large helicopter contingent. Soviet facilities on Sakhalin are being expanded and new construction is under way on Saisho Island, only 7.4 kilometers from Hokkaido. A squadron of modern MiG-23 Floggers has been added to a squadron of less capable MiG-21's on the island of Etorofu. The Soviet command and control network in the region has also been vastly expanded.

Soviet operations in the area have taken on a higher profile. A year ago, Backfire bombers for the first time ran simulated attacks against U.S. carrier battle groups in the Northern Pacific. The augmentation of Soviet military muscle in the area serves both military and political purposes. In case of war, the Soviet military plans to turn the Sea of Okhotsk and adjacent waters into a sanctuary, where its air, land and naval forces would protect Soviet ballistic missile

submarines. This plan envisions Soviet operations against Japanese airfields and other military targets so as to deny their use to U.S. forces. In peacetime, expanded Soviet military options in the Far East provide enhanced political leverage against Japan, China and other Asian powers. As a pointed reminder of their military prowess, the Soviets extended a 200-mile territorial boundary around the Kurile Islands and forced Japanese fishermen to make a considerable annual payment for the right to fish in these international waters. Soviet authorities routinely harass, and frequently seize, Japanese fishing vessels. Over 1,200 boats have been taken since 1946.

Presiding over the impressive array of Soviet military forces is General of the Army Vladimir Govorov, the commander in chief of Soviet forces in the Far East. It is likely that Govorov was heavily involved in the decision to shoot down the Korean airliner. However, communications exchanged between his headquarters and Moscow indicate that the Ministry of Defense was informed of the situation and asked whether the previously developed operational procedures should be followed.

The Soviet air defenses had two opportunities to intercept Flight 007. Apparently their first attempt to get within intercept range failed as the airliner passed over Kamchatka and left Soviet airspace. This does not necessarily suggest that the Soviet air defenses are hopelessly sluggish. They are optimized to best handle targets penetrating directly into Soviet airspace (i.e. attacking bombers) rather than aircraft skirting its periphery.

Soviet planes intercepted the KAL flight again in the vicinity of Sakhalin Island. By the time the Soviet pilots had caught up with the airliner, it was almost out of Soviet airspace. The Soviets had a choice: shoot it down or let it go. They clearly knew that it was a civilian aircraft from information provided by ground control. This explains why the Soviet pilot, upon observing the KAL Boeing 747's navigational lights, did not inform ground control that he was intercepting a civilian aircraft rather than a U.S. intelligence plane.

Having been ordered to force the aircraft down, the Soviet pilot first opened fire with his cannon. As in the 1978 incident, standard ammunition was fired at the airliner rather than tracer ammunition ahead of it, as required by international custom. Several minutes later, as the airliner approached international airspace, he informed ground control "now I'll try rockets." Two AA-3 Anab heatseeking missiles were launched, striking the Boeing 747's engines. The fact that it took over 10 minutes for the aircraft to crash suggests that its wings and fuselage had remained essentially intact after the impact.

The shooting of Flight 007 and resulting loss of lives is certain to further chill U.S.-Soviet relations. In predelegating to the military the authority to shoot down all intruding aircraft, the Soviet leadership must have been aware of the political costs such an action would entail. Thus, the most significant implication of this incident is that it highlights the extent to which military considerations govern current Soviet policy.

Similarly revealing is the stubborn Soviet refusal to offer any form of an apology. In fact, the Soviet position in the aftermath of the shooting progressively hardened. On September 4, Gen. Col. Romanov claimed that the KAL airliner's intrustion into Soviet territory was a "rude provocation," but did not claim that the plane was on a spy mission. He also contended that in 1983 alone U.S. military aircraft violated Soviet borders nine times in the area near the Kurile Islands, and nine times in the Bering Straits region. The general asserted that the United States was "taunting" Soviet air defenses.

By September 6, the Soviets were explicitly claiming that the aircraft was on a spy mission. Some Soviet commentators have gone so far as to compare the Reagan administration to Nazi Germany, suggesting that the United States had deliberately sent the Korean plane into Soviet airspace. The alleged U.S. objectives were to spy, probe Soviet air defenses, embarrass Moscow and, if the aircraft were to be shot down, use the incident as a pretext for further intensifying its "anti-Soviet campaign." Thus, the statement released by the Soviet government on September 6 asserted that the United States was using the airliner to carry out "a major intelligence operation" and if it went awry, "to turn all this into a political provocation."

In his meeting with Secretary of State George Shultz on September 8, Soviet Foreign Minister Andrei Gromyko claimed that defense of Soviet borders was a "sacred duty" and implied that the Soviets would shoot down any aircraft that strays over Soviet territory in the the future. Marshal Nikolai Ogarkov, chief of the Soviet military spokesmen have adopted a similar uncompromising stance. This arrogant and defiant attitude reinforces the impression that the shooting was meant as a deliberate demonstration of Soviet resolve and toughness.

As further demonstrations of its military power in the Far East, the Soviet Union mounted major naval maneuvers in the northern Sea of Japan. A large number of Soviet naval combatants were involved. In addition, two Backfire and two Badger bombers approached Japanese airspace near Sado Island, some 186 miles north of Tokyo, until they were intercepted by the Japanese.

The Soviet emphasis on demonstrating its military preparedness and resolve does not augur well for compromise on major political and military issues. The high and unusual visibility of Soviet military leaders in the aftermath of the incident underscores the growing institutionalization of military participation in high-level political-military decision-making. So far, the preferred western response has seemed to be a redoubling the efforts to achieve a breakthrough in arms control and other U.S.-Soviet negotiations. Yet in the light of current Soviet policy priorities, as demonstrated by the shooting down of KAL Flight 007 and by Soviet behavior in its aftermath, Soviet compromises requiring a restructuring of forces can hardly be anticipated, no matter how strong the western zeal for negotiation.

[From Reader's Digest, Jan. 1984]

WHAT REALLY HAPPENED TO KAL FLIGHT 007

(By Viktor Belenko)

At 6:26 a.m. on September 1, 1983, a Soviet Su-15 interceptor aircraft fired two missiles at a Korean Airlines Boeing 747 near the Soviet island of Sakhalin, north of Japan. Moments later, Japanese air controllers heard a faint, frantic message from the airliner: "All engines . . . rapid decompression." Power gone, fuselage punctured, the huge 747 spun uncontrollably downward for 12 minutes. At 6:38 a.m., KAL Flight 007 disappeared from Japanese radar screens. Everyone on board—269 men, women and children—perished.

Ever since this atrocity, the Soviet Union has labored to confuse and deceive the world about what actually happened. "The Soviet pilots, in stopping the actions of the intruder plane, could not know that it was a civilian aircraft," declared the official news agency, Tass. "It was flying without navigation lights, at the height of night, in conditions of bad visibility, and was not answering signals." Besides, claimed the Soviets, the Korean airliner really was a CIA spy plane.

This massive propaganda effort has succeeded in implanting genuine doubts in the minds of millions. Could the Soviets have misidentified the airliner? Did they try to warn it? Was it engaged in a spy mission?

Nobody in the West is better qualified to answer these questions than former Soviet Lt. Viktor Belenko. Before his daring escape to Japan in 1976 in a MiG-25,[1] Belenko flew the Su-15 interceptor and served in the same Far East Air Defense Command whose radar and planes tracked and pursued the doomed airliner. He knows the mentality of Soviet commanders, pilots and ground controllers, as well as the fears and secret orders that govern them. Since his escape, he has acted as a consultant to the U.S. Air Force and American aircraft companies, and has thus been kept informed about the latest developments inside the Soviet air force. Also, at the request of the U.S. government, he has carefully listened to the voices of Soviet pilots recorded as they stalked and destroyed KAL 007. Here is his revealing analysis of how and why the tragedy took place.

Whenever radar screens reveal an unidentified aircraft within 100 kilometers of Soviet borders, its position is immediately reported to the National Command Center at Kalinin, northwest of Moscow. So long as the aircraft remains in the 100-kilometer zone, its course, speed and altitude are shown on a gigantic screen at the Command Center, where a general officer always is on duty.

In the early hours of September 1, Soviet radar spotted an American RC-135 reconnaissance plane in international airspace over the Bering Sea, east of the Kamchatka Peninsula. Subsequently, KAL 007 flew past the general vicinity where the U.S. plane had been earlier. The Soviets have tried to persuade the world that their air defenses mistook the civilian airliner for the U.S. military plane. Such a mistake is utterly impossible. I will tell you why.

Because Kamchatka is an important Soviet missile-testing site, RC-135s almost daily patrol over international waters off the peninsula.[2] So Soviet air-defense personnel, in both the Far East and Moscow, are very familiar with the RC-135 and its distinctive characteristics. A modified Boeing 707, the RC-135 is heavily laden with external antennas and electronic gear, which drastically reduce its speed. Moreover, once the RC-135 arrives in its patrol area, it circles lazily downward, flying as

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[1] See "MiG Pilot: The Final Escape of Lt. Belenko," Reader's Digest, January '80.

[2] There is nothing secret, sinister or illegal about these patrols. They are conducted in accordance with the Strategic Arms Limitation Treaty, which specifies that the United States and the Soviet Union will verify compliance by the other through their respective "national technical means of verification"—which means reconnaissance by aircraft and satellites.

slowly as it can to conserve fuel and remain on station as long as possible.

Soviet air defenses also are very familiar with the Boeing 747. Every day, 747s belonging to different foreign airlines fly along international route R-20, which passes close to the southern tip of Kamchatka. Having tracked both types of aircraft daily for many years, the Soviets well know that the 747 cruises at least 125 knots faster than RC-135 flies. So the speed alone of KAL 007 unmistakably told the Soviets that it was not an RC-135. And Soviet radar stations recorded and reported this speed for more than two hours.

A secret standing order, issued by the Soviet Ministry of Defense and sanctioned by the Politburo, dictates that once an alien aircraft ventures into Soviet airspace it must not be allowed to escape. Soviet pilots are supposed to fly ahead of the foreign plane, attract attention by firing tracers, rocking wings and, if it is dark, by flashing their navigational lights. If the foreign plane does not signal willingness to follow the interceptors, then Soviet pilots are to shoot it down.

Thus, as KAL 007, now disastrously off course, came within 25 kilometers of Kamchatka, local commanders launched interceptors. But the Soviet fighters failed to catch KAL 007. They did not even come close enough to warn the airliner or to fire at it successfully. Perhaps the ground commander was slow in scrambling his planes. Perhaps ground controllers were inept in vectoring them. Whatever, the standing order was unfulfilled; an unauthorized aircraft had transgressed Soviet airspace and been allowed to escape.

As KAL 007 flew blithely onward, its executioner sat in a Ready Room at the Dolinsk-Sokol air base on southern Sakhalin. I know the scene well.

The pilot reports at dusk, undergoes a cursory physical examination, and has a big meal followed by another at 11 p.m. Throughout the night he must wear his pressure suit, which is tight and uncomfortable. He may read and play chess; he is not supposed to sleep. Parked about 30 feet outside the Ready Room, all set for a quick takeoff, is the Su-15.

The wail of a siren shortly before 6 a.m. suddenly ended the boredom of the veteran pilot and summoned him to a mission, a real one. Within five minutes he was airborne. And now two fears preoccupied him:

Will I execute properly? During all of his career, a Soviet pilot is taught: You may not think. You may not recommend. You may not judge. You may only execute. Your commander will think for you. The pilot, of course, does think to himself: I must do exactly as I am told. I must execute perfectly. If not, I and my family will be ruined.

Will I have to ditch? From the moment a Soviet interceptor pilot takes off, his every action and maneuver are dictated by ground control. Over water, the pilot continually worries about whether the controllers will guide him so far from land, or keep him airborne so long, that he will have to ditch at sea. Unlike American pilots, he does not wear an insulated, water proof suit that would help him survive in frigid waters. So ditching at sea means death.

Because of an incessant stream of orders from the ground, the Su-15 pilot replied almost continuously to his controllers. The Japanese and Americans recorded his every word, and I have listened to the tape again and again. The tape I analyzed did not include transmissions from ground control. But the pilot's own words, frequently spoken in a tremulous voice that betrays extreme tension, prove many important and telling points:

The visibility above Sakhalin was very good. At 6:06 a.m., while the pilot was many kilometers away from KAL 007, he reported seeing it. At 6:12, while still far away, he reported, "I see it visually and on radar." Had the weather been bad, the pilot could not have seen the airliner from such distances.

The lights of KAL 007 shone brightly. At 6:10 a.m., apparently in response to a direct question from ground control, the pilot answered, "Roger. [The target's strobe] light is blinking." At 6:18 he reported, "The A.N.O. [air navigational lights] are burning. the [strobe] light is flashing." And at 6:21 he again volunteered, "The target's [strobe] light is blinking."

The Soviets made no realistic effort to warn KAL 007 or force it to land. To support their claim that they tried to warn the airliner, the Soviets state that the interceptor fired a burst of cannon fire. At 6:20 a.m. the pilot did indeed report, "I am firing cannon bursts." But at this time the interceptor was at least six kilometers behind and below KAL 007. The maximum range of an Su-15 cannon is only one kilometer. Thus, the Korean pilots in their cockpit atop the 747 could not possibly see shells which spent themselves and fell earthward five kilometers behind and below them.

Ordered to close upon the "target," the Su-15 overshot and for a few seconds was ahead of the 747 before falling back alongside it. Had the pilot during those fleeting moments fired tracers or flashed his lights, he would have reported doing so. He made no such report. Neither did he mention any effort to contact KAL 007 by radio. And the transmissions from the Korean airliner after the interceptor fired its cannon clearly show that its crew had neither seen nor heard anything to suggest that there was a problem.

From the outset, the Soviet interceptor flew to attack, not to warn. At 6:20 a.m., the pilot positioned the Su-15, not ahead of the airliner where he could signal it, but below and behind it—the attack position. Then the pilot, manifestly in obedience to orders from the ground, reported that his missiles were locked on the airliner and ready to strike.

But suddenly, because of indecision on the ground—whether at Sakhalin, the Regional Command Center at Khabarovsk or in Moscow—the pilot was ordered to break the missile lock-on and to move close to KAL 007. His voice reflects disgust at the order.

Soviet indecision ended about two minutes later, and the pilot received the fateful order. Obediently, he dropped back and beneath KAL 007, positioning himself to kill. At 6:23 a.m. he said, "Now I will try rockets." He flew very close to the 747—probably within two kilometers—and his panel lights signaled that the missile-guidance systems were fixed on the airliner. At 6:26 a.m. he reported, "I have executed the launch." Two seconds later he said, "The target is destroyed."

The Soviet Air Defense Command had tracked and evaluated KAL 007 for almost 2½ hours. The familiar speed of the airliner, its direct flight path, its distinctive configuration—unlike any other aircraft in the world—its gleaming navigation lights and flashing strobe light all identified KAL 007 as a civilian 747, not an RC-135. Why then did the Soviets finally make the calculated decision to blow up the airliner and kill its innocent passengers?

Certainly, KAL 007 was far off course (see box, page 77). It violated Soviet airspace for about 12 minutes over Kamchatka and again for a shorter time over Sakhalin. This was wrong. But when Soviet planes, even military ones, have violated American sovereign airspace—as they did at least twice in 1983—they have not been shot down. Typically, our interceptors warn and lead straying aircraft away, in accordance with international agreements. Why could not the Soviets have done the same?

The answer may be found back in April 1978, when a Korean Airlines 707, bound from Paris to Seoul, suffered navigational-equipment failure near the North Pole and blundered into Soviet airspace. Although fully aware that it was a civilian airliner, the Soviet Air Defense Command ordered it shot down. Struck by cannon fire from a Soviet interceptor, the crippled 707 nevertheless flew over Soviet territory for another 90 minutes before making an extraordinary crash landing on a frozen lake. Only two people were killed and 13 injured.

The Soviet military felt acute embarrassment for having allowed the airliner to fly aimlessly over Russian territory for another 90 minutes unmolested. The Politburo demanded answers. If you can't stop a civilian airliner from wandering around our territory for so long, they asked, how can we expect you to cope with advanced military aircraft? As a consequence, several senior officers were cashiered.

Now the National Command Center was aware that Soviet air defenses at Kamchatka had failed again. I suspect the Moscow commanders reasoned that the risks of killing were less than those of embarrassing the Politburo anew.

But the worldwide outrage that the slaughter provoked embarrassed the Kremlin far more. Explanations had to be contrived. Initially, the Soviets refused even to admit they had shot down KAL 007. Hours after its destruction, Tass reported that an "unidentified plane" had violated Soviet airspace over Kamchatka and Sakhalin. "The plane did not have navigation lights, did not respond to queries and did not enter into contract with the dispatcher service," Tass said. "Fighters of the anti-aircraft defense, which were sent aloft toward the intruder plane, tried to give it assistance in directing it to the nearest airfield. But the intruder plane did not react to the signals and warnings from the Soviet fighters and continued its flight in the direction of the Sea of Japan." [3]

The next day, Tass reiterated the Soviet claim that the missing plane flew without lights and stated that an interceptor fired warning shots at it. On September 3, Tass published an inordinately abusive diatribe against the United States and President Reagan, excoriating them for saying the Soviets had shot down KAL 007. This was followed by the assertion of Soviet Colonel-General Semyon Romanov that KAL 007 had it lights off and that in any case the "outlines" of a Boeing 747 "resemble much those of the American reconnaissance plane RC-135."

On September 5, President Reagan played the damning tape reproducing the voice of

[3] In my time, there was no "dispatcher service" or ground-control system on either Kamchatka or Sakhalin capable of communications with foreign aircraft. Moreover, none of the half-dozen commercial planes in the air or ground-monitoring stations heard any warning over the international emergency frequency.

the Su-15 pilot shooting down KAL 007. And finally, five days after the atrocity, the Soviets, admitted the undeniable. Since the intruder plane did not obey the demand to fly to a Soviet airfield and tried to evade pursuit, the interceptor-fighter plane of the anti-aircraft defenses fulfilled the order of the command post to stop the flight," Tass announced on September 6.

Ever since this confession, Soviet propagandists have reiterated the theme that KAL 007 was embarked upon some kind of espionage mission. But they have never presented any tangible evidence in support of this claim. Indeed, almost every substantive statement the Soviets have made in justification of the slaughter over Sakhalin is demonstrably false.

Listening to all the bellicose Soviet fabrications, I am reminded of an old Russian adage: "I will urinate in your eyes, and you will say it is Holy Water." That is the attitude the Soviets have adopted in trying to justify the slaughter of 269 innocent men, women and children.

LURED TO DESTRUCTION?

The lost Korean airliner possessed three separate computerized navigational systems—the same systems that each day safely and unerringly guide commercial aircraft to their destination throughout the world. Additionally, there were radio beacons along the prescribed route of KAL 007 by which its pilots could verify their position. Yet sometime after the airliner passed beyond the range of radar in Alaska, it veered off course. Transmissions from the aircraft to Japan showed that the pilots did not realize they had strayed.

Perhaps the pilots misprogrammed their computers before takeoff. Perhaps in flight they set the wrong dial on the navigational control panel. Perhaps, seeing a landmass on their weather radar, they confused Kamchatka with a Japanese island. Unless the airliner's flight recorder is recovered from the ocean floor (now unlikely), the cause of their mistake will remain unclear.

Could the Soviets have deliberately lured KAL 007 off course? While no evidence to support such a charge has come to light, the possibility cannot be discounted. According to the Defense Department, in each of the past few years the Soviets have made dozens of electronic attempts to dupe and confuse American pilots into flying over forbidden territory where they could be shot at. The practice involves "meaconing"—the sending of misleading navigational signals from powerful portable transmitters—as well as radar and radio jamming. It continues today, and, in fact, reports of meaconing and jamming increased roughly 20 percent in 1983.

Sophisticated American countermeasures, coupled with special training of air crews, have reduced the effectiveness of this predatory deception. Nevertheless, the Soviets keep trying, hoping to create international incidents which their propagandists can exploit.

[From the Wall Street Journal, Sept. 5, 1984]

SPOTTING SOVIET STRATEGIC ADVANCES

(By William Kucewicz)

During the 1980 presidential campaign, candidate Ronald Reagan promised to close the "window of vulnerability" created by the Soviet Union's massive arms buildup of the 1970's and our own lax response. Today, despite President Reagan's substantial increase in defense spending, that "window of vulnerability" hasn't closed. In fact, it is opening even wider.

Several recent Soviet breakthroughs in high-technology military armaments, currently worrying U.S. intelligence and military officials, go beyond anything the U.S. now has in its arsenal or plans to produce anytime soon. Indeed, such new Soviet weaponry soon could endanger all three legs of our strategic triad for the first time. These new Soviet threats loom so large that any talk of defense cuts during this year's election campaign is not only ill-informed but dangerous to Western security.

The perilous Soviet developments range from a quantum increase in the size of the U.S.S.R. intercontinental ballistic missile (ICBM) force, to supersonic cruise missiles, to space-based radar capable of detecting our nuclear-armed submarines at sea—the one leg of our triad previously thought to be invulnerable.

The SS-20 missile. The Soviets are preparing to target some of these supposed "intermediate range" missiles on the continental U.S., making them a new ICBM.

On April 2, 1984, six SS-20 missiles were test fired from the Yurga missile complex near Kirov in the western Soviet Union on a trajectory over the North Pole toward the U.S. The missiles, carrying dummy warheads, were destroyed in flight over the polar regions of the Barents Sea.

IMPENDING FUNDAMENTAL SHIFT

The launches marked the first time the Soviets have tested the SS-20—until now viewed as solely a threat to Western Europe and the Far East—on an azimuth directed at the continental U.S.

The SS-20 tests, first reported in the Heritage Foundation's "National Security Record" and independently confirmed by The Wall Street Journal, signal an impending fundamental shift in the balance of strategic forces between the U.S. and the U.S.S.R. Intelligence data about the telemetry of the SS-20 tests indicate that by lightening the warhead load, the Soviets have increased the missile's range beyond the 5,500-kilometer threshold defined by SALT as an ICBM. Previously, the Soviets had maintained that the missile's range was a convenient 500 kilometers shy of that limit. In light of the April test firings, the SS-20 no longer can be viewed as just an intermediate-range missile threatening Europe and Asia—an interpretation the Russians have encouraged—but as a potential ICBM capable of hitting the U.S. mainland.

Not only have the majority of U.S. intelligence analysts heretofore underestimated the range of the SS-20, but they also have played down the number of these missiles being produced and deployed by the Soviet Union. The latest official U.S. statements cite 378 deployed SS-20s. In fact, the number of completed SS-20 launchers currently stands at 400, with another 20 under construction—nearly double the number deployed when President Reagan took office.

The number of launchers, however, tells only part of the story. The SS-20 missile is a two-stage, solid-fuel rocket, capable of carrying up to three warheads. It is launched from a relatively small, mobile platform that can be moved along most roads and, because of its size and mobility, is easy to conceal from U.S. reconnaissance satellites. Moreover, each launcher can handle more than one missile; it can be reloaded with additional missiles like bullets in a rifle.

Indeed, current U.S. intelligence data about the Soviet Union's SS-20 missile-production facilities indicate that the Soviets plan to deploy at least five reloads per launcher, in addition to the launcher's initial missile. In total, the Soviets are now preparing to deploy about 2,520 SS-20 missiles, carrying as many as 7,560 warheads targeted at Western Europe, the Far East and the U.S. That's a far cry from the planned U.S. deployment in Europe of 464 cruise missiles and 108 Pershing IIs, each carrying only one warhead, intended to counterbalance the SS-20 threat.

Soviet cruise missiles. The U.S. thus far has enjoyed a monopoly on these high-technology, drone aircraft, which can evade standard radar detection and hit a target with a high degree of accuracy due to computerized, terrain-mapping guidance systems. The U.S. advantage is not only coming to an end, the Soviets also are developing and deploying cruise missiles that may eclipse our own.

The Soviets are developing five different types of cruise missile. The sea-launched SS-X-21, now operational, is small enough to be fired from standard Soviet torpedo tubes; the SS-N-21 is now being deployed on the Victor III-class nuclear submarine. The ground-launched SSC-4 cruise missile is now being stationed in Warsaw Pact countries, in apparent response to NATO's intermediate-range missile buildup. The air-launched AS-X-15 is being tested on the Tu-95 Bear bomber and the new, long-range Blackjack bomber.

In addition to these three types of cruise missiles, which are similar to ones now being produced and deployed by the U.S., the Soviets are working on two other sea- and land-based versions for which the U.S. has no match. These new missiles would be supersonic, unlike the slow-moving U.S. models, and much larger, giving them the capability to travel longer distances and carry heavier payloads. Since late July, the Soviet press has bragged about the successful testing of the ground-launched version of this new cruise missile.

But it's the sea-launched version of this supersonic cruise missile that has the U.S. Air Force extremely worried. This Soviet missile, apparently intended for deployment on the Soviet's stretched Yankee-class submarines stationed off the U.S. coast, potentially could destroy our Strategic Air Command bomber bases in the U.S. interior before many of our planes could get off the ground. Because of the cruise missile's low flight path, it can fly under standard radar and reach undetected into the heart of the U.S. in 30 to 45 minutes. By contrast, submarine-launched ballistic missiles, which can reach U.S. inland bases in six to eight minutes, would almost immediately be detected by U.S. radar because of the SLBMs' high trajectory.

Space-based radar. The Soviets are working on a new type of radar to be based in space or in high-altitude aircraft that could detect many of our nuclear-armed submarines at sea. It is called synthetic-aperture radar. One military expert called the Soviet program "the most significant strategic development in 10 years."

The radar apparently can detect a submerged submarine by discerning subtitle effects on the water's surface, on water moving around the submarine and even in the color and radioactivity of plankton. The Soviets have been testing the radar from high-flying aircraft and from the Salyut 7 space station against their own submarines with considerable success. The Soviet radar is far more sophisticated than the U.S. acoustic detection techniques.

The Soviet space-based radar program may provide a clue as to why the Kremlin was so keen recently about beginning talks with the U.S. on an anti-satellite (ASAT) treaty, even though it had walked out of other arms-control talks. A U.S. ASAT program would be able to blind such new Soviet radar satellites and thus could help preserve U.S. submarines at sea. An ASAT treaty would effectively protect these Soviet "eyes" and thus endanger our own submarine deterrent.

A Defense Intelligence Agency report, quoted in the Pasha Publication's "Military Space" newsletter, says that the Soviet space-based radar effort "is a matter of concern because it demonstrates that the Soviets are determined to destroy all three legs of the U.S. deterrent Triad if they possibly can find the means to do so."

SITTING DUCKS

In sum, the U.S. strategic triad could become more vulnerable to a Soviet knockout strike than ever before. Our Minuteman ICBMs are already undefended against the Soviet Union's large, accurate ICBMs, and the Soviet effort to build a nationwide anti-ballistic-missile (ABM) system could reduce the retaliatory impact of any surviving Minutemen. Our bombers, which face the challenge of penetrating the best air-defense system in the world, could become vulnerable to attack while still on the ground from low-flying, supersonic cruise missiles. Our nuclear-armed submarines, half of which are in port at any given time and are therefore sitting ducks, could become victims of Soviet space-based radar detection within a decade.

Given this growing Soviet threat, the U.S. must begin a diversified program to make our triad more survivable and capable of inflicting heavy retaliatory blows against the U.S.S.R. Strategic defense is one solution; an ABM system, or a "star wars" space-based defense, would significantly enhance the survivability of our forces on the ground. The production of a mobile, highly accurate ICBM like the Midgetman also would increase the credibility of our retaliatory response. Improved cruise missiles and Pershing IIs also would help counter the mounting Soviet cruise-missile threat.

Without such steps, the "window of vulnerability" will open even wider and the U.S. will be more at risk of a Soviet first-strike than ever before. When U.S. politicians during this year's election campaign argue over $100 hammers and defense cuts, the leaders in the Kremlin must be smiling.

ORDER OF PROCEDURE

Mr. MOYNIHAN. Mr. President, I understand that the hour for morning business is about to expire, and I ask unanimous consent that I may proceed as in morning business for another 15 minutes.

The PRESIDING OFFICER (Mr. SYMMS). Without objection, it is so ordered.

THE 1984 DEMOCRATIC NATIONAL PLATFORM

Mr. MOYNIHAN. Mr. President, since 1840, which saw the election of William Henry Harrison and John Tyler, our great political parties have adopted platforms in every Presidential election year. These statements of principles and intentions long have served to inform the American people of each party's plans for the Nation's future.

On July 17, the Democratic National Convention, assembled in San Francisco, CA, adopted the 37th national platform of the Democratic Party. The 1984 platform, "Democrats: Building America's Future," represents the culmination of a long series of public hearings held across the country and of lengthy deliberations by the Democratic Platform Committee and delegates to the national convention. This year's platform enunciates for all Americans the Democratic Party's vision for the Nation, and this vision will provide Americans with a clear choice when they cast their ballots for President and Vice President on November 6.

I am honored today to present to the Senate the 1984 Democratic national platform, the most recent of a time-honored tradition in the United States, one which has been emulated by political parties in most of the free democratic world.

I ask unanimous consent to have the text of the platform printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1984 DEMOCRATIC NATIONAL PLATFORM
DEMOCRATS: BUILDING AMERICA'S FUTURE

PREAMBLE

A fundamental choice awaits America—a choice between two futures.

It is a choice between solving our problems, and pretending they don't exist; between the spirit of community, and the corrosion of selfishness; between justice for all, and advantage for some; between social decency and social Darwinism; between expanding opportunity and contracting horizons; between diplomacy and conflict; between arms control and an arms race; between leadership and alibis.

America stands at a crossroads.

Move in one direction, and the President who appointed James Watt will appoint the Supreme Court majority for the rest of the century. The President who proposed deep cuts in Social Security will be charged with rescuing Medicare. The President who destroyed the Environmental Protection Agency will decide whether toxic dumps get cleaned up. The President who fought the Equal Rights Amendment will decide whether women get fair pay for their work. The President who launched a covert war in Central America will determine our human rights policy. The President who abandoned the Camp David process will oversee Middle East policy. The President who opposed every nuclear arms control agreement since the bomb went off will be entrusted with the fate of the earth.

We offer a different direction.

For the economy, the Democratic Party is committed to economic growth, prosperity, and jobs. For the individual, we are committed to justice, decency, and opportunity. For the nation, we are committed to peace, strength, and freedom.

In the future we proposed, young families will be able to buy and keep new homes—instead of fearing the explosion of their adjustable-rate mortgages. Workers will feel secure in their jobs—instead of fearing layoffs and lower wages. Seniors will look forward to retirement—instead of fearing it. Farmers will get a decent return on their investment—instead of fearing bankruptcy and foreclosure.

Small business will have the capital they need—instead of credit they can't afford. People will master technology—instead of being mastered or displaced by it. Industries will be revitalized—not abandoned. Students will attend the best colleges and vocational schools for which they qualify—instead of trimming their expectations. Minorities will rise in the mainstream of economic life—instead of waiting on the sidelines. Children will dream of better days ahead—and not of nuclear holocaust.

Our party is built on a profound belief in America and Americans.

We believe in the inspiration of American dreams, and the power of progressive ideals. We believe in the dignity of the individual, and the enormous potential of collective action. We believe in building, not wrecking. We believe in bridging our differences, not deepening them. We believe in a fair society for working Americans of average income; an opportunity society for enterprising Americans; a caring society for Americans in need through no fault of their own—the sick, the disabled, the hungry, the elderly, the unemployed; and a safe, decent and prosperous society for all Americans.

We are the Party of American values—the worth of every human being; the striving toward excellence; the freedom to innovate; the inviolability of law; the sharing of sacrifice; the struggle toward justice; the pursuit of happiness.

We are the Part of American progress—the calling to explore; the challenge to invent; the imperative to improve; the importance of courage; the perennial need for fresh thinking, sharp minds, and ambitious goals.

We are the Party of American strength—the security of our defenses; the power of our moral values; the necessity of diplomacy; the pursuit of peace; the imperative of survival.

We are the Party of American vision—the trustees of a better future. This platform is our road map toward that future.

CHAPTER I.—ECONOMIC GROWTH, PROSPERITY, AND JOBS

Introduction

Building a prosperous America in the changing world: that is the Democratic agenda for the future. To build that America, we must meet the challenge of long-term, sustainable, noninflationary economic growth. Our future depends on it.

To a child, economic growth means the promise of quality education. To a new graduate, it means landing a good first job. To a young family, growth means the opportunity to own a home or a car. To an unemployed worker, it means the chance to live in dignity again. To a farmer, growth means expanding markets, fair prices, and new customers. To an entrepreneur, it means a shot at a new business. To our nation, it means the ability to compete in a dramatically changing world economy. And to all in our society, growth—and the prosperity it brings—means security, opportunity, and hope. Democrats want an economy that works for everyone—not just the favored few.

For our party and our country, it is vital that 1984 be a year of new departures.

We have a proud legacy to build upon: the Democratic tradition of caring, and the Democratic commitment to an activist government that understands and accepts its responsibilities.

Our history has been proudest when we have taken up the challenges of our times, the challenges we accept once again in 1984—to find new ways, in times of accelerating change, to fulfill our historic commitments. We will continue to be party of justice. And we will foster the productivity and growth on which justice depends.

For the 1980's, the Democratic Party will emphasize two fundamental economic goals. We will restore rising living standards in our country. And we will offer every American the opportunity for secure and productive employment.

Our program will be bold and comprehensive. It will ask restraint and cooperation from all sectors of the economy. It will rely heavily on the private sector as the prime source of expanding employment. And it will treat every individual with decency and respect.

A Democratic Administration will take four key steps to secure a bright future of long-term economic growth and opportunity for every American:

Instead of runaway deficits, a Democratic Administration will pursue overall economic policies that sharply reduce deficits, bring down interest rates, free savings for private investment, prevent another explosion of inflation and put the dollar on a competitive footing.

Instead of government by neglect, a Democratic Administration will establish a framework that will support growth and productivity and assure opportunity.

In place of conflict, a Democratic Administration will pursue cooperation, backed by trade, tax and financial regulations that will serve the long-term growth of the American economy and the broad national interest.

Instead of ignoring America's future, a Democratic Administration will make a series of long-term investments in research, infrastructure, and above all in people. Education, training and retraining will become a central focus in an economy built on change.

The Future If Reagan Is Reelected

"Since the Reagan Administration took office, my wife and I have lost half our net worth. Took us 20 years to build that up, and about three to lose it. That is hard to deal with. . . ."—David Sprague, Farmer, Colorado (Democratic Platform Committee Hearing, Springfield, Illinois, April 27, 1984).

"There's got to be something wrong with our government's policy when it's cheaper to shut a plant down than it is to operate it. . . . The Houston Works plant sits right in the middle of the energy capital of the world and 85 percent of our steel went directly into the energy-related market, yet Japan could sit their products on our docks cheaper than we make it and roll it there."—Early Clowers, President, Steel Workers Local 2708 (Democratic Platform Committee Hearing, Houston, Texas, May 29, 1984).

A Democratic future of growth and opportunity, of mastering change rather than hiding from it, of promoting fairness instead of widening inequality, stands in stark contrast to another four years of Ronald Reagan. Staying the course with Ronald Reagan raises a series of hard questions about a bleak future.

What would be the impact of the Republican deficit if Mr. Reagan is reelected?

A second Reagan term would bring federal budget deficits larger than any in American history—indeed, any in world history. Under the Republican's policies, the deficit will continue to mount. Interest rates, already rising sharply, will start to soar. Investments in the future will be slowed, then stopped. The Reagan deficits mortgage the future and threaten the present.

Mr. Reagan has already conceded that these problems exist. But as he said in his 1984 Economic Report to the Congress, he prefers to wait until after the election to deal with them. And then, he plans "to enact spending reductions coupled with tax simplification that will eventually eliminate our budget deficit."

What will Mr. Reagan's plan for "tax simplification" mean to average Americans if he is reelected?

Ronald Reagan's tax "reforms" were a bonanza for the very wealthy, and a disaster for poor and middle-class Americans. If reelected, Mr. Reagan will have more of the same in store. For him, tax simplification will mean a further freeing of the wealthy from their obligation to pay their fair share of taxes and an increasing burden on the average American.

How will Mr. Reagan's "spending reductions" affect average Americans if he is reelected?

If he gets a second term, Mr. Reagan will use the deficit to justify his policy of government by subtraction. The deficits he created will become his excuse for destroying programs he never supported. Medicare, Social Security, federal pensions, farm price supports and dozens of other people-oriented programs will be in danger.

If Mr. Reagan is reelected, will our students have the skills to work in a changing economy?

If we are to compete and grow, the next generation of Americans must be the best-trained, best-educated in history. While our competitors invest in educating their children, Mr. Reagan cuts the national commitment to our schools. While our competitors spend greater and greater percentages of their GNP on civilian research and development, this President has diverted increasing portions of ours into military weaponry. These polices are short-sighted and destructive.

If Mr. Reagan is reelected, will basic industries and the workers they employ be brought into the future?

The Republican Administration has turned its back on basic industries and their communities. Instead of putting forward policies to help revitalize and adjust, Mr. Reagan tells blameless, anxious, displaced workers to abandon their neighborhoods and homes and "vote with their feet."

America's economic strength was built on basic industries. Today, in a changing economy, they are no less important. Strong basic industries are vital to our economic health and essential to our national security. And as major consumers of high technology, they are catalysts for growth in newly emerging fields. We need new approaches to ensure strong American basic industries for the remainder of this century and beyond.

Can the road to the future be paved with potholes?

Adequate roads and bridges, mass transit, water supply and sewage treatment facilities, and ports and harbors are essential to economic growth. For four years, the Reagan Administration has refused to confront adequately the growing problems in our infrastructure. Another term will bring four more years of negligence and neglect.

If Mr. Reagan is reelected, how many children will join the millions already growing up at risk?

Between 1980 and 1982, more than two million younger Americans joined the ranks of the poor: the sharpest increase on record.

With the Reagan Administration's cutbacks in prenatal care and supplemental food programs have come infant mortality rates in parts of our cities rivaling those of the poorest Latin American nations. Black infants are now twice as likely as white infants to die during the first year of life.

Cuts in school lunch and child nutrition programs have left far too many children hungry and unable to focus on their lessons.

Teenage prostitution, alcohol and drug abuse, depression, and suicide have all been linked to child abuse. The Administration has abandoned most avenues to breaking the cycle of abuse. Funding to prevent and treat child physical abuse has been cut in half. And funds to help private groups set up shelters for runaway youth are being diverted elsewhere.

If Mr. Reagan is reelected, will we ensure that our children are able to enjoy a clean, healthy, environment?

Protecting our natural heritage—its beauty and its richness—is not a partisan issue. For eighty years, every American President has understood the importance of protecting our air, our water, and our health. Today, a growing population puts more demands on our environment. Chemicals which are unsafe or disposed of improperly threaten neighborhoods and families. And as our knowledge expands, we learn again and again how fragile life and health—human and animal—truly are.

Ensuring the environment heritage of future generations demands action now. But the Reagan Administration continues to develop, lease, and sell irreplaceable wilderness lands. While thousands of toxic waste sites already exist, and more and more are being created constantly, the Reagan Administration is cleaning them up at a rate of only 1.5 per year. The environmental legacy of Ronald Reagan will be long-lasting damage that can *never* truly be undone.

If Mr. Reagan is reelected, will we be able to heat our homes and run our factories?

Twice in the past, our country has endured the high costs of dependence on foreign oil. Yet the Reagan Administration is leaving us vulnerable to another embargo or an interruption in oil supply. By failing adequately to fill the Strategic Petroleum Reserve, and trusting blindly to the market to "muddle through" in a crisis this Administration has wagered our national security on its economic ideology. One rude shock from abroad or just one "market failure", and our country could find itself plunged into another energy crisis.

The New Economic Realtiy: Five Reagan Myths

Underlying the Reagan approach to the economy are five key myths; myths that determine and distort the Reagan economic policy, and ensure that it is not the basis for long-term growth.

The world has changed, but Ronald Reagan does not understand.

First, and most fundamental, the Reagan Administration continues to act as if the United States were an economic island unto itself. But we have changed from a relatively isolated economy to an economy of inter-

national interdependence. In fact, the importance of international trade to the U.S. economy has roughly doubled in a decade. Exports now account for almost 10 percent of GNP—and roughly 20 percent of U.S. manufactured goods. One in six manufacturing jobs now depends on exports, and one in three acres is now planted for the overseas market. Imports have also doubled in importance.

Financial markets are also closely linked. U.S. direct investments and commercial loans overseas now amount to hundreds of billions of dollars. A debt crisis in Mexico will affect balance sheets in San Francisco. A recession in Europe will limit the profits of U.S. subsidiaries operating in the European market. Lower overseas profits will limit the flow of earnings back to the United States—one important way the U.S. has found to help pay for the rising tide of imports. Hundreds of billions of dollars in foreign short-term capital invested here are sensitive to small shifts in interest rates or the appearance of added risk. It is only partly bad loans that brought Continental Illinois to the brink of bankruptcy. Heavily dependent on short-term foreign deposits, Continental Illinois was particularly vulnerable. Rumors that were false at the time were enough to set off a run on the bank.

The strength of American steel, the competitiveness of the U.S. machine tool industry, and the long-term potential of U.S. agriculture are no longer matters decided exclusively in Washington or by the American market. America must look to Tokyo, Paris, and the money markets in Singapore and Switzerland. Policy based on the myth that America is independent of the world around us is bound to fail.

Second, this Administration has ignored the enormous changes sweeping through the American work force.

The maturing of the baby boom generation, the sharp increase in the percentage of women seeking work, and the aging of the work force all have to be taken into account.

Decade by decade, more and more women have moved into the work force. This large-scale movement is already changing the nature of professions, altering the patterns of child care and breaking down sex-based distinctions that have existed in many types of employment.

In Ronald Reagan's vision of America, there are no single parent families; women only stay at home and care for children. Reagan's families do not worry about the effects of unemployment on family stability; they do not worry about decent housing and health care; they do not need child care. But in the real world, most Americans do. Providing adequate child care for the millions of American children who need it, and for their parents, is surely not a responsibility which belongs solely to the federal government. But, like the responsibility for decent housing and health care, it is one where federal leadership and support are essential.

The work force is also aging. For the first time in this century, the average American is 31 years of age. Coupled with greater longevity and the gradual elimination of mandatory retirement rules, older workers can be expected to increase steadily their share of the total work force.

Moreover, the kinds of jobs available in our economy are changing rapidly. The combined pressures of new products, new process technology, and foreign competition are changing the face of American industry.

New technologies, shifting economics and deregulation have opened up dozens of new careers both in traditional industrial concerns and in new businesses. Many of them did not exist at all only a few years ago.

And the change is far from over. In setting national policy, a government that ignores that change is bound to fail. In setting national policy, a government that ignores the future is short-changing the American people.

Third, the Reagan program has ignored the fundamental changes that are sweeping through the structure of American industry, the diversity of the economy and the challenges various sectors face. New products and new ways of manufacturing are part of the change. High technology is creating new competitive industries, and holding out the promise of making older industries competitive once again. Foreign competition has also had a major impact. But the tide runs much deeper than that.

In the past decade, small business and new entrepreneurs have become more and more of a driving force in the American economy. Small businesses are a growing force in innovation, employment, and the long-term strength of the American economy.

Technology itself appears to be changing the optimal size of American businesses. And unlike the conglomerate mergers of the 1960's, renewed emphasis on quality and efficient production has shifted the focus back to industry-specific experience.

An Administration that sets tax policy, spending priorities, and an overall growth program without understanding the new dynamics and the diversity of American industry is weakening, rather than strengthening the American economy.

Reaganomics is based on the theory that blanket tax cuts for business and the rich would turn directly into higher productivity, that private investors and industry would use the money saved to restore our edge in innovation and competitiveness.

In practice, the theory failed because it did not take into account the diversity within our economy. The economy is composed of a set of complex public and private institutions which are intricately interrelated and increasingly influenced by the pressures of international competition. In the international economy, multinational companies and governments cooperate to win trade advantage, often at American expense.

We are coming to understand that in an expanding number of markets, industrial strategies, rather than just the energies of individual firms, influence competitive success. Indeed, success in marketing a product may depend more on the quality and productivity of the relationship between government and business than on the quality of the product. While several foreign industrial strategies have failed, foreign governments are becoming more sophisticated in the design and conduct of their industrial strategies. The Reagan Administration is not.

Fourth, the Reagan Administration has acted as if deficits do not count. The deficits are huge and are expected to get larger—and they are a major negative factor in everything from high interest rates to the third world debt crisis.

Because of the huge tax cuts to benefit the wealthy, and an enormous military buildup bought on credit, the federal deficit in 1983 was equivalent to 6% of our GNP. In dollars it amounted to almost 200 billion—more than three times larger than the deficit Ronald Reagan campaigned against in 1980.

Under the budget Reagan proposed to Congress earlier this year, the annual deficit would grow to $248 billion by 1989, and unless he makes major changes in current policy, it will exceed $300 billion. Reagan doubled the national debt during his first term. Given eight years, he will have tripled it. According to the proposed budget, at the end of his second term Reagan *by himself* will have put this country *three times deeper* into debt than *all our other Presidents combined.*

As the Reagan debt hangs over us, more and more of our tax dollars are going nowhere. By 1989, the percentage of federal revenues to be spent on deficit interest payments alone will have doubled. *These unproductive payments will claim a staggering 42¢ on every personal income tax dollar we pay.* This huge allocation will do nothing to reduce the principal of the debt; it will only finance the interest payments.

The interest payments on Reagan's debt are grossly out of line with historical spending patterns. Since 1981, more money has been squandered on *interest payments* on the Reagan-created debt alone than has been saved by all of Reagan's cuts in domestic spending. Non-defense discretionary spending, to be productively invested in programs to benefit the poor and middle class, and to build our social capital, is being overwhelmed by the enormous sums of money wasted on interest payments. By 1989, the annual payment will account for twice the percentage of federal revenue that we have ever set aside for such discretionary programs.

Interest payments on the debt are rising at an alarming rate. Today the annual payment has already reached $110 billion—twice what it was four years ago. During a second Reagan term, it will double *again,* reaching $207 billion by 1989.

The consequences for the individual taxpayer are enormous. Deficit increases under Reagan so far are equivalent to $2,387 levied from every woman, man and child alive in the United States today.

The consequences for the nation as a whole are also enormous. The massive government borrowing necessary to service the debt will amount to about three-quarters of the entire nation's net savings between 1983 and 1986.

The pressure of the deficits on interest rates has sucked in a wave of overseas investment. Some of those investments have been made in manufacturing plants or other commercial enterprises. Much of the foreign money, however, is in the form of portfolio holdings or even more liquid short-term bank deposits. It is an uncertain source of savings for a long-term investment program. To a limited degree, it puts the country in the same risky position as Continental Illinois Bank which relied heavily on short-term foreign deposits to make long-term domestic loans.

High interest rates will eventually take their toll on domestic investment, make their own contribution to inflationary pressure (while eventually slowing growth and inflation), and increase the tensions in the domestic banking system. They will also have a potentially devastating impact on the international economy. Each percentage point rise in U.S. interest rates adds $3-5 billion to the annual debt payments of the developing world. High American interest rates have also put added pressure on interest rates in the industrial democracies, dampening their own prospects for growth, and their ability to buy our goods.

Fifth, and finally, the Reagan Administration has virtually wished away the role of government. When it comes to the economy, *its view is that the government that governs best is one that governs not at all.*

A Democratic Administration must answer this challenge by reaffirming the principle that government must both "provide for the common defense" *and* "promote the general welfare" as coequal responsibilities under the Constitution. If the Democratic Party can succeed in correcting the present imbalance, it will reverse the cycle of pain and despair, and recapture the initiative in the area of social and economic progress.

The Reagan Administration succeeded in shifting massive resources from human needs functions of the Federal budget to military-related functions and created unprecedented deficits, based on the assumption that government should have a diminished responsibility for social progress, and thus, for the welfare of the needy and disadvantaged in society. The resulting Reagan-induced recession caused tremendous suffering, threw millions of people out of work, terminated or reduced benefits, and raised the national misery index.

Mr. Reagan denies government's critical role in our economy. Government cannot, and should not, dominate our free enterprise economy. But American prosperity has been most pronounced when the government played a supportive or catalytic role in the nation's economic fortunes. There are a wide variety of examples stretching back through our entire history: government investments in roads and research, in education and training; government initiatives in opening up new economic possibilities, initiatives that started with the decision to protect domestic markets shortly after the Revolution to the ongoing commercial development of space.

Agriculture is a clear example of government cooperation with a highly competitive private sector that has yielded a harvest of economic results that is the envy of the world. The government helps fund the research, helps spread it through the economy, educates the modern farmer, influences production levels, and helps develop new markets overseas. It is America's most conspicuous example of a successful industrial strategy—combining the cooperative efforts of business, government and our universities.

Reagan's Recession and a Recovery Built on Debt

The Economic Roller Coaster—Following the first oil shock in 1973, the United States embarked on a ten year economic roller coaster. The up and down performance of the economy was paralleled by erratic macro-economic policy. There were wide swings from stimulative fiscal and monetary policies causing raging inflation, to government-engineered recessions.

The frequency of the cycles created a climate of uncertainty that was tailor-made to discourage and distort investment. Each cycle left the economy weaker than the one before. At the end of each recession the level of inflation was higher, and at the end of each recovery the level of unemployment had risen.

Even more disturbing was the decline in the rate of growth of productivity. By the end of the 1970's, productivity growth first stopped and then fell. Productivity growth has finally resumed—but the rate of growth remains disappointing compared both to our own economic past and the performance of other industrial economies.

Reaganomics and an Election Year Recovery—Ronald Reagan swept into office on the promise of a smaller government and a bigger private sector, of higher GNP and lower inflation, and of the elimination of federal deficits.

First, he proposed huge tax cuts. Mr. Reagan went so far as to suggest that the growth caused by his tax cuts would be so rapid that total tax revenues would actually rise even while tax rates were cut.

Second, he promised a huge defense buildup.

Third, he promised stable prices. How was he going to contain prices while stimulating rapid growth? His answer was tight money.

Fourth, the supply-siders promised growth and stable prices without the intervening pain of a recession. In effect, Reagan promised tight money without tears.

Cut taxes but raise more revenues. Arm to the teeth. Growth with stable prices. Tight money and no hard times. It just did not work out that way. Worse, there was never any reason to expect that it would. Reagan's kind of tax cuts were based neither on rational economic theory nor on any empirical evidence. And wishing simply did not make it so. George Bush was right when he called Reaganomics "voodoo economics".

Instead of growth, the country had plunging production and record unemployment. Instead of increased savings and investment, the country had bankruptcy and economic decline. The Reagan policies, which were supposed to break the cycle of inflation and recession, only made it worse.

Reagan cut domestic programs, but more than offset those cuts with vastly increased defense spending. The Government significantly reduced the growth of the money supply and kept real interest rates high. For a recession, real interest rates reached record highs. These interest rates brought an added problem. They attracted foreign funds and helped drive up the international value of the dollar. American business was faced with a double whammy—empty order books and high interest rates. For the increasingly large part of American business that either sells overseas or competes with imports at home, the over-valued dollar abroad meant their products cost far more compared to the foreign competition.

Reagan effectively created a tax on exports and a subsidy for imports. It was a climate that forced record bankruptcies, enormous unemployment, plant closings, and major corporate reorganizations. It was the largest and most severe economic collapse since the Great Depression.

The Reagan Administration then prepared for the election year by "staying the course" in fiscal policy (pumping up demand with huge deficits) and sharply reversing the course in monetary policy.

The Federal Reserve Board rapidly expanded the supply of money and the economy ceased to decline and began to recover.

The Millions Left Behind—But millions of Americans were left behind. Over the last two years, 1.8 million men and women have became discouraged workers and more than 5.4 million have fallen into poverty. Nearly half of all minority youth are unemployed, and Black males have effectively lost 13 percent of their labor force participation in the last two decades. Unemployment on Indian reservations continues to be among the highest in the nation. The U.S.-Mexico border has been devastated by the currency devaluations and economic crisis in Mexico. Small businesses have closed; American families are suffering hunger and poor health, as unemployment exceeds depression rates. Women continue to receive less than 60 percent of the wages that men receive, with minority women receiving far less. Millions of other Americans, including the growing number of women heading poor households or those who have been hard-hit by plant closings or obsolescent skills, avidly seek training or retraining in occupations that hold real promise for sustained employment opportunities in the future.

Millions of Americans, including those in the industrial and agricultural heartland, have been severely affected by the recent recession and the transformation in American industry that accompanied it. Furthermore, the changes seem to have come very quickly, and they do not seem to be over. Many Americans worked in auto, steel, machine tool, textile, agriculture and small business and related industries. Today for many of them, the recovery is a fiction, or seems very fragile. Plant closings have hit hard and job security and loss of health and pension benefits evoke memories from the past.

Investment in jobs for all Americans constitutes the key investment for the future of the nation. For every one million workers who go back to work, our country produces an additional $60-70 billion in goods and adds $25 billion to the Federal treasury. The Democratic Party will work aggressively to stimulate employment, rebuild trade and encourage labor-intensive industrialization.

Seven Threats to the Recovery

The current election year recovery is in serious jeopardy, threatened by a series of major economic problems:

Unless corrective action is taken soon, the current $180 billion deficit will balloon even larger by the end of the decade.

Interest rates are high and rising. The prime rate has jumped one and one half percentage points. A credit crunch is rapidly approaching in which federal borrowing for the deficit will overwhelm private demand for funds to fuel the recovery. Mortgage rates have risen to a point where home sales and housing starts are beginning to fall. The variable rate mortgage that buffers the thrift industry against high interest rates may, in the near future, put the entire industry under pressure as steadily rising rates put mortgage payments beyond the reach of the average homeowner.

The Federal Reserve Board faces a deficit dilemma. By expanding the money supply to help finance the deficit, the Federal Reserve runs the risk of runaway inflation. But if it limits growth by restricting the money supply, high interest rates will distort growth or tip the economy back into recession.

The Reagan Administration has done nothing to solve America's repeated problem of reconciling steady growth with stable prices, except by causing a deep recession. Continuing high levels of unemployment still exist in various communities across the country. Many jobs have disappeared. The Reagan Administration is not interested in new forms of fighting inflation—its anti-inflation program amounts to little more than unemployment, tight money and union busting. It is a highly cynical economic selective service that drafts only the poor and the middle class to fight the war against inflation. Unrestrained by the demands of another election, a second Reagan Administration will be even less concerned about the impact of deep recession on the average working American.

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Our trade deficit is a looming disaster for the national economy. An overvalued dollar, itself the product of high interest rates, helped create a nearly $70 billion trade deficit in 1983. It will be almost twice as large in 1984. Borrowing to suport the deficits and buying abroad to maintain a recovery tilted toward consumption are eroding America's position as a creditor nation.

America is very much a part of the international economy. And the recovery overseas has been slow to catch hold. European economies are strained by the impact of high American interest rates on their own economies. For many developing countries, growth has been slowed or even reversed by the overhang of an enormous burden of commercial and official debt. If they cannot buy our products, our economy must slow.

The sheer size of the international debt burden is itself a threat to the recovery. It is not only a question of falling exports to Latin America. The American and international financial system has been put in peril by the weakening of debtor nations' ability to repay their debt to U.S. banks as interest rates rise.

Howard Baker called Mr. Reagan's policies a "riverboat gamble". We now know the outcome. The very wealthiest in our society have been big winners—but future generations of Americans will be the losers.

The Americans coming of age today face a future less secure and less prosperous than their parents did—unless we change course. We have an obligation to our children and to their children. We Democrats have a different vision of our future.

The Democratic Alternative: A Prosperous America in a Changing World

"There's a lot of people out there only making $3.35 an hour, and that's been since '81. That's a long time to be making $3.35 an hour. . . . Costs of living have gone up considerably. The insurance has gone up, gas, lights, water. It's a whole lot different now, it's not the same as '81. I know times have changed, but why can't the $3.35 change with them? I would like to know that if anybody can answer. I urge the Democratic Party to develop policies and protect working people."—Doris Smith, Steward, SEIU Local 706 (Democratic Platform Committee Hearing, Houston, Texas, May 29, 1984).

"We do not have a surplus as long as one member of my family is hungry. He may live next door or on the other side of the world. However, it should not be the producer's responsibility to provide cheap food at the expense of his own children."—Roberta Archer, Farmer, Springfield, Illinois (Democratic Platform Committee Hearing, Springfield, Illinois, April 27, 1984).

"In the four years prior to Mr. Reagan taking over, I was fortunate to have four good years of employment, and I was able to put money aside in savings accounts which since have been exhausted. My unemployment benefits are exhausted too. . . . I may not qualify for any type of public assistance and the standard of living I was accustomed to for my wife and myself and my family has drastically changed. . . . But we as Democrats can join together in harmony and unison and we decide what is the future or the fate of our people and what is good for all of us. So I am very proud to be a Democrat."—James Price, unemployed mine worker (Democratic Platform Committee Hearing, Birmingham, Alabama, April 24, 1984).

Democratic growth is not just a matter of good numbers, but of opportunities for people. Jobs and employment are at the center of Democratic thinking. It is not only a question of legislation or appropriations. Rather, it is a philosophy that views employment as the ongoing concern of the country. Work in America is not an idle concept—but a definition of self, a door to future opportunity, and the key step in securing the economic necessities of the present.

An America at work is a moral obligation as well as the most effective way to return our economy to a high growth path. Employed people stimulate the economy, their taxes pay for the expenses of government and their production adds to our national wealth. Moreover, the social and economic fabric of the nation will be strengthened as millions of Americans who presently are frozen out of productive and dignified employment become contributing citizens.

The potential for America is unlimited. It is within our means to put America back on a long-term path that will assure both growth and broad-based economic opportunity. That is what the next Democratic Administration will do. First, we will adopt overall economic policies that will bring interest rates down, free savings for private investment, prevent another explosion of inflation, and put the dollar on a competitive basis. Second, we will invest for our future—in our people, and in our infrastructure. Third, we will promote new partnerships and participation by all levels of government, by business and labor, to support growth and productivity. Finally, government will work with the private sector to assure that American businesses and American workers can compete fully and fairly in a changing world economy.

Overall Economic Policies: A Firm Ground for Growth

A Democratic Administration will pursue economic policies which provide the basis for long-term economic growth and will allow us to fulfill our commitment to jobs for all Americans who want to work. A key part of the effort will be reducing and eventually eliminating the deficits that currently form a dark cloud over the nation's future. In addition, monetary policy must be set with an eye to stability and to the strengths or weaknesses of the economy. Finally, we will pursue policies that will promote price stability and prevent inflation from breaking out again.

Reducing the Reagan Budget Deficits

After plunging the nation into a deficit crisis, President Reagan refuses to take part in efforts to solve it. He postpones hard decisions until after the Presidential election, refusing to compromise, refusing to address revenues and defense spending seriously, refusing all but a "down payment" on the deficit. The President continues to stand apart from serious, comprehensive efforts to cut the deficit. There must be statesmanship and compromise here, not ideological rigidity or election year politics.

The Democratic Party is pledged to reducing these intolerable deficits. We will reassess defense expenditures; create a tax system that is both adequate and fair; control skyrocketing health costs without sacrificing quality of care; and eliminate other unnecessary expenditures. Through efficiency and toughness, we will restore sanity to our fiscal house.

We oppose the artificial and rigid Constitutional restraint of a balanced budget amendment. Further we oppose efforts to call a federal constitutional convention for this purpose.

Rational Defense Spending—In the last three years, the Defense Department was told by this Administration that it could have anything it wanted, and at any price. As Democrats, we believe in devoting the needed resources to ensure our national security. But military might cannot be measured solely by dollars spent. American military strength must be secured at an affordable cost. We will reduce the rate of increase in defense spending. Through careful reevaluation of proposed and existing weapons, we will stop throwing away money on unworkable or unnecessary systems; through military reform we will focus defense expenditure on the most cost-effective military policies. We will insist that our allies contribute fairly to our collective security, and that the Department of Defense reduces its scandalous procurement waste.

And above all else, we will seek sensible arms control agreements as a means of assuring that there will be a future for our children and that we as a nation will have the resources we need to invest for the future.

Tax Reform—America needs a tax system that encourages growth and produces adequate revenues in a fair, progressive fashion. The Democratic Party is committed to a tax policy that embodies these basic values.

The present system is unfair, complex, and encourages people to use a wide range of loopholes to avoid paying their fair share of taxes. The combination of loopholes for the few and high rates for the many is both unfair and anti-growth. It distorts investment, diverting creative energies into tax avoidance. And it makes the tax code even less comprehensible to the average American.

Our tax code must produce sufficient revenue to finance our defense and allow for investment in our future, and we will ask every American to pay his or her fair share. But by broadening the tax base, simplifying the tax code, lowering rates, and eliminating unnecessary, unfair and unproductive deductions and tax expenditures, we can raise the revenues we need and promote growth without increasing the burden on average taxpayers.

Ronald Reagan's tax program gave huge breaks to wealthy individuals and to large corporations while shifting the burden to low and moderate income families. The Democratic Party is pledged to reverse these unsound policies. We will cap the effect of the Reagan tax cuts for wealthy Americans and enhance the progressivity of our personal income tax code, limiting the benefits of the third year of the Reagan tax cuts to the level of those with incomes of less than $60,000. We will partially defer indexation while protecting average Americans. We will close loopholes, eliminate the preferences and write-offs, exemptions, and deductions which skew the code toward the rich and toward unproductive tax shelters. Given the fact that there has been a veritable hemorrhage of capital out of the federal budget, reflected in part by the huge budget deficit, there must be a return to a fair tax on corporate income. Under the Reagan Administration, the rate of taxation on corporations has been so substantially reduced that they are not contributing their fair share to federal revenues. We believe there should be a 15% minimum corporate tax. In addition, our tax code has facilitated the transfer of capital from the United States to investments abroad, contributing to plant closing without notice in many communities

and loss of millions of jobs. We will toughen compliance procedures to reduce the $100 billion annual tax evasion.

Our country must move to a simpler, more equitable, and more progressive tax system. Our tax code can let the market put our country's savings to the best use. There must be a fair balance between corporate and personal tax increases. Wealthier taxpayers will have to shoulder a greater share of the new tax burdens. Economic distortions must be eliminated.

Controlling Domestic Spending—A balanced program for reducing Republican megadeficits must also deal with the growing costs of domestic programs. But this must be done in a way that is fair to average Americans.

Social Security is one of the most important and successful initiatives in the history of our country, and it is an essential element of the social compact that binds us together as a community. There is no excuse—as the Reagan Administration has repeatedly suggested—for slashing Social Security to pay for excesses in other areas of the budget. We will steadfastly oppose such efforts, now and in the future.

It is rather in the area of health care costs that reform is urgently needed. By 1988, Medicare costs will rise to $106 billion; by the turn of the century, the debt of the trust fund may be as great as $1 trillion. In the Republican view, the problem is the level of benefits which senior citizens and the needy receive. As Democrats, we will protect the interests of health care beneficiaries. The real problem is the growing cost of health care services.

We propose to control these costs, and to demand that the health care industry become more efficient in providing care to all Americans, both young and old. We will limit what health care providers can receive as reimbursement, and spur innovation and competition in health care delivery. The growth of alternative health care delivery systems such as HMO's, PPO's and alternatives to long-term care such as home care and social HMO's should be fostered so that high quality care will be available at a lower cost. We must learn the difference between health care and sick care. Unlike the Republicans, we recognize that investing in preventive health care saves dollars as well as lives, and we will make the needed investment. The states must be the cornerstone of our health care policies, but a Democratic Administration will provide the leadership at the federal level to assure that health care is available to all who need help at a cost we can afford. In addition, we pledge to scour the budget for other areas of wasteful or unnecessary spending.

Monetary Policy for Growth

Reducing the deficit is the first step toward lowering interest rates and establishing the basis for fair tax and budget policies. But even with a Democratic fiscal policy reining in the deficit, the task of the Federal Reserve Board will be critical. Monetary policy must work to achieve stable real interest rates, the availability of capital for long-term investments, predictable long-term policy and stable prices. We reject the rigid adherence to monetary targets that has frequently characterized the Reagan monetary policy. Whatever targeting approach the Federal Reserve Board adopts, it must be leavened with a pragmatic appraisal of what is happening in the harsh world of the real economy, particularly the impact on unemployment, interest rates, and the international value of the dollar.

An Anti-Inflation Program

We have learned that sustained economic growth is impossible in a climate of high inflation or of inflationary expectations. The Reagan Administration's only prescription for inflation is recession—deliberate high unemployment—coupled with a relentless assault on the collective bargaining power and rights of working men and women. The Democratic Party believes that these tactics are both unacceptable and ineffective.

We will develop the following five-step program to stabilize prices:

Growth—full order books encourage investments in new plants and equipment and research and development. The productivity growth that comes in tandem with new investments will help offset—point for point—any increase in cost.

Increased flexibility in the marketplace—will also help keep inflationary pressures under control. There is no single policy that will make the U.S. economy more adapatable. Rather, there is a series of smaller steps which will help keep prices stable. In general, competitive markets are more likely to restrain sudden surges of prices than are markets dominated by a few large firms. No Democratic Administration will forget the use of old fashioned antitrust policy to keep markets competitive and prices down.

Trade policy—is also an important component of any effective anti-inflation program. Expanding world markets for American goods increase the gains from large scale production and stimulate research and development on new products and processes.

The price-wage spiral—as part of any effective anti-inflation program, serious policies to address the price-wage spirals and other inflationary pressures we have experienced in the past must be developed.

We believe that an attack on sectoral sources of inflation—in food, fuel, utilities, health care, and elsewhere—is essential if price stability is to be sustained without economic distortions. Our agriculture, energy, and health programs will all promote sectoral price stability while assuring fair treatment for average Americans, including working men and women and family farmers. For example, the Strategic Petroleum Reserve is one clear response to reducing the chance of another oil shock. The very presence of reserves in the U.S., Japan, and elsewhere reduces the likelihood of panic buying to replace suddenly threatened oil supplies. In this context, a far-reaching energy policy that emphasizes conservation and the development of alternative energy supplies will also help stabilize energy prices. And lower interest rates from reduced budget deficits will reduce upward pressure on housing costs and bring housing back within the reach of millions of Americans now excluded from the market.

Investing in People

America's greatest resource is our people. As Democrats, we affirm the need for both public and private investment—in our children; in our educational institutions and our students; in jobs, training, and transitional assistance for our workers—to build America's future. If we choose wisely, these investments will be returned to our country many times over. They are essential if we are to create an America with high-quality jobs and rising opportunities for all. And they are vital if we are to safeguard our competitive position in the world economy.

Investing in Children

Simple decency demands that we make children one of our highest national priorities. But the argument for so acting goes well beyond that. Programs for children represent the most critical investment we can make in our ability to compete in future world markets and maintain a strong national defense in the decades ahead.

Above all else, the Democratic Party stands for making the proper investment in coming generations of Americans.

Preventive efforts must be at the heart of the broad range of health, child care, and support programs for children. Helping these children makes good moral sense—and sound economic sense. Measles vaccine alone has saved $1.3 billion in medical costs in just ten years. Supplemental food programs for low-income pregnant women and infants save $3 for every dollar spent.

By improving access to medical care before and after birth, we can promote a generation of healthy mothers and healthy babies. Seeing that supplemental food programs for low-income pregnant women and infants reach all those eligible will do more than save the $40,000 now spent to treat one low birth weight infant in a neo-natal ward. It will also reduce the risk of birth defects for such infants.

We recognize that a hungry child is a child who cannot learn. Restoring school breakfast and school lunches for millions of children will improve their alertness and concentration in school.

Child care must also be a top priority. Helping communities establish afterschool care programs will remove millions of American children from the serious risks they now face of injury, abuse and alienation by staying at home alone. Encouraging employers, churches, public centers, and private groups to provide quality, affordable child care will give millions of children whose parents must work the kind of adult supervision necessary to thrive. And setting up centers for child care information and referral will assist parents wherever they reside to locate quality care for their children.

Preventing child abuse must be at the forefront of Democratic Party concern. Local, community-based child abuse prevention programs must be strengthened and expanded. A child who learns first about the risks of sexual abuse in school will be less likely to become the target of repeated victimization. Federal challenge grants could encourage states to make local prevention efforts a real priority.

Prompt intervention efforts must also be provided for children in crisis. If we are to make any headway in breaking the cycle of child abuse, both victims and offenders must have access to treatment programs.

Juvenile offenders must not be left in adult jails where the only skills they acquire are those of the career criminal. Safe shelter and assistance must be available for the hundreds of thousands of runaway children at risk or exploitation in our cities. Local, state, and federal law enforcement agencies must refine ways to locate children who have been abducted. And children in foster care must not be allowed to graduate to the streets at age 18 without ever having known a permanent home.

We must ensure that essential surveys on children's health and welfare status are reinstated. We know more about the number of matches sold than about the number of children across the country who die in fires while alone at home. Likewise, we know less about hunger and malnutrition among children than we do about the health of the nation's poultry stock.

The Democratic Party affirms its commitment to protecting the health and safety of children in the United States. Existing laws mandating the use of automobile child restraints must be enforced, and child safety seat loaner or rental programs and public education programs must be encouraged, in order to reduce significantly the leading cause of death and serious injury among children between the ages of six months and five years—motor vehicle crashes.

The crises devastating many of our nation's youth is nowhere more dramatically evidenced than in the alarming rate of increase in teenage suicide. Over 6,000 young people took their lives in 1983, and for each actual suicide 50 to 100 other youths attemted suicide. The underlying causes of teenage suicide, as well as its full scope, are not adequately researched or understood. We must commit ourselves to seek out the causes, formulate a national policy of prevention, and provide guidance to our state and local governments in developing means to stem this devastating tide of self-destruction. We support the creation of a national panel on teenage suicide to respond to this challenge.

A Democratic Administration which establishes these priorities can reduce the risks for our young people and improve the odds. By so doing, it will serve their future . . . and ours.

Investing in Education

No public investment is more important than the one we make in the minds, skills and discipline of our people. Whether we are talking about a strong economy, a strong defense or a strong system of justice, we cannot achieve it without a strong educational system. Our very future in international economic competition depends on skilled workers and on first-rate scientists, engineers, and managers.

We Democrats are committed to equity in education. We will insist on excellence, discipline, and high standards. Quality education depends on students, teachers and parents performing at the highest levels of achievement.

Today, education in America needs help. But, the Reagan Administration offers misleading homilies about the importance of education while aggressively slashing education programs.

This is intolerable. We know that every dollar we invest in education is ultimately returned to us six-fold. We know that the education of our citizens is critical to our democracy.

There are four key goals that a Democratic program for educational excellence must address: strengthening local capacity to innovate and progress in public education and encourage parental involvement; renewing our efforts to ensure that all children, whatever their race, income, or sex have a fair and equal chance to learn; attracting the most talented young people into teaching and enabling them to remain and develop in their profession; and ensuring that all American families can send their children on to college or advanced training.

Primary and Secondary Education—While education is the responsibility of local government, local governments already strapped for funds by this Administration cannot be expected to bear alone the burden of undertaking the efforts we need for quality education—from teacher training, to the salaries needed to attract and retain able teachers, to new labs, to new programs to motivate talented and gifted students, to new ties between businesses and schools—without leadership at the federal level.

Democrats will provide that leadership. We call for the immediate restoration of the cuts in funding of education programs by the Reagan Administration, and for a major new commitment to education. We will create a partnership for excellence among federal, state and local governments. We will provide incentives to local school districts to concentrate on science, math, communications and computer literacy; to provide access to advanced technology. In all of these fields, but particularly in computers, there is a growing danger of a two-tier education system. The more affluent districts have adequate hardware and teachers prepared to use it. Many districts are left completely behind or saddled with a modern machine but no provision for faculty training. Every American child should have the basic education that makes computer literacy possible and useful. Major attention must be given to recruiting the finest young people into teaching careers, and to providing adequate staff development programs that enable educators to increase their effectiveness in meeting the needs of all students.

Vocational education should be overhauled to bring instructional materials, equipment, and staff up to date with the technology and practices of the workplace and target assistance to areas with large numbers of disadvantaged youth. We will insist that every child be afforded an equal opportunity to fulfill his or her potential. We will pay special attention to the needs of the handicapped.

Education is an important key to the upward mobility of all citizens and especially the disadvantaged, despite the fact that racial discrimination and other prejudices have set limits to such achievement.

The Reagan Administration has singled out for extinction the proven most successful education program—compensatory education for disadvantaged children. The Democratic Party will reverse this malicious onslaught and dramatically strengthen support in order to provide educational equity for all children.

Bilingual education enables children to achieve full competence in the English language and the academic success necessary to their full participation in the life of our nation. We reject the Reagan double-talk on bilingual education and commit ourselves to expanding and increasing its effectiveness.

We will emphasize the importance of preventing one-third of our student body nationwide from dropping out of school in the first place. And, we will supplement community-based programs encouraging students who have left school due to teenage parenthood, alcohol and drug abuse, or economic difficulties at home, to complete their educations.

Recognizing that young people who are never given an opportunity for a job will be less likely to hold one in adulthood, we will also emphasize training and employment opportunities for youth. In so doing, we need to establish a genuine working partnership with the private sector.

Private schools, particularly parochial schools, are also an important part of our diverse educational system. Consistent with our tradition, the Democratic Party accepts its commitment to constitutionally acceptable methods of supporting the education of all pupils in schools which do not racially discriminate, and excluding so-called segregation academies. The Party will continue to support federal education legislation which provides for the equitable participation in federal programs of all low and moderate income pupils.

For its part, when added to the traditional educational institutions of family, school and church, television has enormous promise as a teahcer. When children spend more time in front of the television set than they do in the classroom, we must ask how television can help children, and why commercial broadcasters do so little programming for children today despite their legal responsibility as "public trustees" of the airwaves granted to them. The National Science Board, for instance, has recommended that commercial television stations be required to air a certain amount of information/educational programming for children each week. Properly developed, television can be an enormously efficient and effective supplemental teaching tool.

Higher Education—We will make certain that higher education does not become a luxury affordable only by the children of the rich. That is Ronald Reagan's America. In our America, no qualified student should be deprived of the ability to go on to college because of financial circumstance.

The Democratic Party reaffirms the importance of historically Black colleges. Today the survival of many of these colleges is threatened. The programs that assist them, which have been severely weakened in recent years, must be greatly strengthened with funding targeted toward Black and Hispanic institutions.

An explosion in demand for certain types of engineers, scientists and other technical specialists is creating a shortage of faculty and PhD candidates. We must encourage colleges and universities to train more scientists and engineers. More than one hundred years ago the Morrill Land Grant Act provided for agricultural colleges and programs that today still help keep American agriculture the world leader. We need a similar program today to encourage the training of scientists and engineers. At the same time, we must not neglect the arts and humanities, which enrich our spirit. The private sector must also recognize its responsibility to join partnerships which strengthen our diverse public and private higher education system.

Finally, all our educational institutions must adapt to growing numbers of adults returning to school to upgrade their skills, acquire new skills, prepare themselves for entirely new occupations, and enrich their lives.

Investing in the Arts

America is truly growing and prosperous when its spirit flourishes. The arts and humanities are at the core of our national experience. Creativity and the life of the mind have defined us at our best throughout our history. As scholars or artists, the museumgoers or students, craftsmen and craftswomen or the millions who use our libraries, countless Americans have a stake in a nation that honors and rejoices in intelligence and imagination.

The Democratic Party will set a new national tone of respect for learning and artistic achievement. Not only will the federal agencies that support them be strengthened and freed from political intimidation, but the White House itself will once again be a place where American cultural and intellectual life—in all its rich diversity—is honored. Excellence must start at the top.

Finally, the Democratic Party is also committed to the survival of public television and radio stations, which allow all Americans, regardless of ability to pay, to appreciate high quality, alternative programming. We oppose the efforts of the Reagan Administration to enact draconian cuts which would totally undermine the viability of this nation's excellent public broadcasting system, a broadcasting system which has given the country Sesame Street, 3-2-1 Contact, and other superb children's as well as cultural and public affairs programming.

Jobs, Training, and Transitional Assistance

We must have a growing economy if we are to have jobs for all Americans who seek work. But even in a growing economy, the pressures of competition and the pace of change ensure that while jobs are being created, others are being destroyed. Prosperity will not be evenly distributed among regions and communities. We must make special efforts to help families in economic transition who are faced with loss of homes, health benefits, and pensions. And far too many of our young people, especially minorities, do not have the training and skills they need to get their first job. Democrats believe that it is a national responsibility to ensure that the burdens of change are fairly shared and that every young American can take the first step up the ladder of economic opportunity.

Of the 8.5 million Americans still out of work, 40 percent are under 25. Unemployment among teenagers stands at almost 20 percent. Less than three percent of the jobs created in the last three and a half years have gone to young people. Black and Hispanic youth have a double burden. Unemployment for black teenagers stands at 44 percent—a 20 percent increase in the last three years. Hispanic teens face a 26 percent unemployment rate.

As disturbing as these figures are, they do not tell the whole story. The unemployment rate measures only those teenagers who were actively looking for work, not those who have given up, completely discouraged by the lack of opportunity. Again the burden falls disproportionately on minority youth.

The Reagan Administration has dismantled virtually all of the successful programs to train and employ young people. Today, we are spending less to put young people to work than we were even under the last *Republican* Administration—70 percent less, when inflation is taken into account. Youth unemployment has skyrocketed, while government efforts to combat it have dwindled to a trickle.

Unless we address this problem now, half of an entire generation may never know what it means to work. America cannot successfully compete in the world economy if a significant portion of our future work force is illiterate, unskilled, and unemployable.

The Democratic Party must give our young people new skills and new hope; we must work hand in hand with the private sector if job training is to lead to jobs. Specifically, targeted efforts are needed to address the urgent problem of unemployment among minority teenagers. We must provide job training for those who have dropped out of school, and take every step to expand educational opportunity for those still in school. We must recognize the special needs of the over-age 50 worker and the displaced homemaker. Through education, training and retraining we must reduce these dangerously high levels of unemployment.

We must provide an opportunity for workers, including those dislocated by changing technologies, to adapt to new opportunities; we must provide workers with choices as to which skills they wish to acquire. We know that Americans want to work. We are committed to ensuring that meaningful job training is available—for our students, for housewives returning to the workplace, and for those displaced by changing patterns of technology or trade.

The federal government will develop a major comprehensive national job skills development policy that is targeted on the chronically unemployed and underemployed. We must train and place these Americans in high-demand labor shortage occupations, working with the private sector so that maximum employment and job creation can be achieved.

We will overhaul the currently antiquated unemployment compensation system, and adequately fund job search listings of local employment services.

We will also launch meaningful training programs that lead to job placement for women who receive public assistance, in order to break the cycle of dependence and to raise their standard of living. Instead of punitive reductions in AFDC and other benefits for women who seek training and employment while receiving such assistance, beneficiaries should be given a transition period during which they are permitted to earn income in a formal training program while receiving full benefits.

We will seriously examine new approaches to training and retraining programs that could be financed directly by government, by labor and management, or by tax free contributions.

If cancellations of specific weapons systems result in significant economic dislocations and job loss, it is a national responsibility to address the human consequences of national policy.

Investing in Infrastructure

Economic growth requires that America invest in our infrastructure as well as in our people. Investing in infrastructure means rebuilding our bridges and roads and sewers, and we are committed to doing that. But it also means investing in our cities, in decent housing and public transportation, and in regulatory systems for finance and telecommunication that will provide a sound basis for future economic growth.

Investing in Our Cities

The Democratic Party recognizes the values of prosperous local government, and within that context we recognize that a healthy city is essential to the well-being of the nation, state, county and surrounding local governments.

Our nation's economic life depends on the economic growth of our cities. Our cities are not only the treasuries from which the nation draws its wealth; they are the centers of industry, the centers of art and culture, the breeding ground for economic innovation, and home to the majority of the American people. Our cities are among this country's greatest achievements, and they can be our country's greatest engine of economic growth.

Cities can be active partners with the federal government and private enterprises for creating new growth. They can be a dynamic entrepreneurial force—by encouraging education and research, by incubating promising new industries, by steering resources toward those most in need, and by fostering new cooperative arrangements among public agencies and private business. Cities can be a leading force for rebuilding the nation's economy.

But to do this, cities need state and national leadership which values the role of city and county government. Cities need a President willing to work and consult with mayors and county executives. They need an Administration which puts the needs of urban America on the top of the national agenda—because no plan for economic strength will survive when our cities are left behind.

Today, the Reagan Administration has turned its back on the cities. By sapping our cities' strength, this Administration is sapping our country's strength. Only the intervention of the Congress has prevented further and more devastating cuts in city-oriented programs. The Democratic Party believes in making our cities' needs a federal priority once again. We want to see again cities where people have jobs and adequate housing, cities whose bridges and mass transit are being maintained, and whose neighborhoods are safe to live in. And that will take a commitment by our federal government to help our cities again.

Toward that end, the Democratic Party pledges:

A commitment to full employment. We believe the federal government must develop a major, comprehensive national job skills development policy targeted on the chronically unemployed and underemployed. We must launch special training programs for women who receive public assistance. We need to increase government procurement opportunities for small and minority firms and to encourage deposits of federal funds in minority-owned financial institutions. And to build for the future, the Democratic Party calls for a new national commitment to education, which must include raising standards, insisting on excellence, and giving all children a chance to learn, regardless of race, income or sex.

A commitment to rebuilding the infrastructure of America. We need to inventory facility needs, set priorities and establish policies for the repair, maintenance, and replacement of public works by all levels of government. We need to create a federal capital budget to separate operating and capital outlays. We will consult local governments in decisions affecting the design and performance standards of facilities constructed under federal programs. And we need to create a national reconstruction fund to provide affordable loans to states and localities for infrastructure projects. This will not only rebuild the infrastructure of our cities but provide badly needed employment for people who live there.

A commitment to housing. We must restore government's positive role in helping all Americans find adequate and affordable housing. We reaffirm our commitment to public housing for the most disadvantaged members of our society. We must strengthen our commitment to the operation and rehabilitation of current government-assisted housing. We must maintain and expand the flow of mortgage capital, and bring interest rates down with sensible economic policies. We must pull together the patchwork of housing programs and cut through the red tap to make it easier for cities to receive the assistance to meet their own unique needs. We must upgrade and replenish housing in minority communities and create more units for poor and low-income people. And we must enforce fair housing standards to prohibit discrimination in the housing market.

Our Party must be a vehicle for realizing the hopes, the aspirations, and the dreams of the people of this country. And that includes the people who live in cities.

Physical Infrastructure

This nation's physical infrastructure—our bridges and roads, our ports, our railroads, our sewers, our public transit and water supply systems—is deteriorating faster than we can repair it. The gap between the necessary improvements and available resources grows every year. State and local governments, strapped by Reaganomics, have been forced repeatedly to defer maintenance, and to abandon plans for construction.

As Democrats, we recognize that infrastructure is the basis for efficient commerce and industry. If our older industrial cities are to grow, if our expanding regions are to continue to expand, then we must work with state and local governments to target our investment to our most important infrastructure. There is work to be done in rebuilding and maintaining our infrastructure, and there are millions of American men and women in need of work. The federal government must take the lead in putting them back to work, and in doing so, providing the basis for private sector investment and economic growth. We need to inventory facility needs, set priorities, and establish policies for the repair, maintenance and replacement of the public works by all levels of government. We need a capital budget to separate paying for these long-term investments from regular expenditures. Furthermore, we need a national reconstruction fund to provide affordable loans to states and localities for infrastructure projects.

Finance Infrastructure

At the heart of our economy is the financial infrastructure: a set of diverse interdependent institutions and markets which are the envy of the world. We must preserve their strengths. Unitl very recently, the United States operated with a domestic financial system that was built in response to the stock market crash of 1929, the massive series of bank failures that accompanied the Great Depression, and the speculative excesses of the stock market. There was an emphasis on placing different types of financial activities in different institutions. Commercial banks were not to float stock market issues. Investment bankers could. Neither took equity positions in individual companies. Separate saving and credit institutions were established to support housing and consumer durables. Soundness of the system, liquidity, investor and depositor protection, neutrality of credit and capital decisions, and a wide variety of financial institutions to serve the varying needs of business and consumers have been the fundamental goals.

Bit by bit, the American financial system began to change. The domestic financial market became closely tied to the international market, which in turn had become larger, more competitive, and more volatile. Inflation, technology, the growth of foreign competition, and institutional innovation all combined to create strong pressures for change. The 1980's brought a deregulation of interest rates and a wave of deregulatory decisions by financial regulators.

These changes raise serious threats to our traditional financial goals. Before leaping into a highly uncertain financial future, the country should take a careful look at the direction deregulation is taking, and what it means to our financial system and the economy.

Telecommunications

Telecommunications is the infrastructure of the information age. The last decade has seen an explosion in new technologies, expanded competition, and growing dependence on high quality telecommunications.

Nationwide access to those networks is becoming crucial to full participation in a society and economy that are increasingly dependent upon the rapid exchange of information. Electronically-delivered messages, and not the written word, are becoming the dominant form of communication. A citizen without access to telecommunications is in danger of fading into isolation. Therefore, the proper regulation of telecommunications is critical. We must encourage competition while preventing regulatory decisions which substantially increase basic telephone rates and which threaten to throw large numbers of low-income, elderly, or rural people off the telecommunications networks. We must also insure that workers in the telecommunications industry do not find their retirement or other earned benefits jeopardized by the consequences of divestiture.

This electronic marketplace is so fundamental to our future as a democracy (as well as to our economy) that social and cultural principles must be as much a part of communications policy as a commitment to efficiency, innovation, and competition. Those principles are diversity, the availability of a wide choice of information services and sources; access, the ability of all Americans, not just a privileged few, to take advantage of this growing array of information services and sources; and opportunity, a commitment to education and diverse ownership, particularly by minorities and women, that will give every American the ability to take advantage of the computer and the telecommunications revolution. We support the Fairness Doctrine and Equal Time requirements, along with other laws and regulations on the electronic media which encourage or require responsiveness to community needs and a diversity of viewpoints.

Housing

Decent, affordable housing has been a goal of national public policy for almost half a century, since the United States Housing Act of 1937. The Democratic Party has repeatedly reaffirmed the belief that American citizens should be able to find adequate shelter at reasonable cost. And we have been unwavering in our support of the premise that government has a positive role to play in ensuring housing opportunities for less fortunate Americans, including the elderly and the handicapped, not served by the private market.

In the last four years this long-standing commitment to decent shelter has been crippled by the underfunding, insensitivity, high interest rates, and distorted priorities of the Reagan Administration.

The Democratic Party has always accorded housing the high priority it deserves. One essential quality will characterize this commitment in the future. It must and will be comprehensive.

By advocating a comprehensive policy which addresses the totality of our housing needs, we do not mean to suggest that all concerns have an equal claim on resources or require the same level of governmental intervention. The bulk of our resources will be concentrated on those most in need, and government must take a leadership role where others cannot or will not participate.

Within a comprehensive framework for policy development and constituency building, we will establish priorities according to principles of compassion and equity. We would like to see a special effort in two areas in the first years of a new Democratic Administration.

First, we must intensify our commitment to the adequate operation, management, and rehabilitation of the current inventory of government-assisted housing. This housing stock is not one, but the only option for the least fortunate among our lower income families and senior citizens. It is the right thing to do and it makes economic sense to preserve our own economic investment.

Second, we must maintain and expand the flow of mortgage capital. The American dream of home ownership will fall beyond the reach of this generation and future ones if government fails to help attract new sources of capital for housing.

We will draw on our historic commitment to housing, and the best insights and energies of today's Democratic Party, to address the future housing needs of all the American people. The Democratic Party will develop short-range emergency responses to the problem of homelessness as well as long-range solutions to its causes. The Democratic Party will support upgrading and replenishment of the housing stock in minority communities, with more affordable units available so that poor and low income people can buy units with low interest loans. Also, fair housing standards need to be vigorously enforced by the federal, state and local governments in order to deal with persistent discrimination in the housing market for buyers and renters. Finally, the expansion of public housing and other publicly-assisted housing programs is a necessity due to the growth in the homeless population and in the high cost of commercially available units.

Transportation

Democrats vigorously support the concept of promoting competition in transportation and the elimination of unnecessary and inefficient regulation of the railroad industry. Democrats also insist on insuring a fair rate for captive shippers. It was the Democratic Party which was primarily responsible for the passage of the Staggers Rail Act of 1980, which was designed to accomplish these objectives.

The Democratic Party is committed to a policy of administering the transportation laws in a manner which will encourage competition and provide protection for captive shippers.

A comprehensive maritime policy that is tailored to the realities of today's international shipping world and to the economic, political, and military needs of the United States is a necessity. Such a policy should address all facets of our maritime industry—from shipping to shipbuilding and related activities—in an integrated manner.

Postal Service

The private express statutes guarantee the protection and security of the mail for all Americans. They are essential to the maintenance of the national postal system along with retaining rural post offices to assure the delivery of mail to all Americans.

A Framework for Growth

The American economy is a complex mix, incorporating any number of different actors and entities—private businesses, professional societies, charitable institutions, labor unions, regional development councils, and local school boards. The economy is driven by millions of individual decisions on

spending and saving, on investing and wages. Government is only one force among many woven into the fabric of American economic life. Just as the wrong overall economic policy can disrupt the best private decisions, the best government economic policies will not put us on a path to long-term growth unless business, labor, and other private institutions meet their responsibilities and rise to the competitive challenge of a new era.

Private Sector Responsibilities

In many cases, the private sector is already playing a major role in laying the basis for future growth and meeting broad community responsibilities. In other cases, however, short-term considerations have been allowed to predominate at the expense of the long-term needs of the national economy.

A recent wave of mergers has been particularly troubling. Any number of large corporations have focused their energies arranging the next merger or defending against the latest takeover bid.

Many of our major competitors have targeted their efforts on investments in new methods of producing cheaper, high-quality products. To respond to the growing pressure of foreign competition, America's private sector must meet several challenges:

Investing strategically—the more U.S. companies focus on long-term strategies to improve their competitive positions, the better off the entire economy will be.

Managing cost and quality—U.S. companies will have to place similar emphasis on controlling costs and quality to effectively meet the best of the foreign competition.

Competing internationally—U.S. business like other institutions in the country need to pay greater attention to the international market place.

Partnership, Cooperation and Participation

Partnership, cooperation and participation are central to economic growth. We need new cooperative institutions, and a steady redefinition of how labor and management, universities, the private sector, and state and local governments can work together.

National cooperation—In developing a long-term growth strategy, there are several particularly important functions that today are poorly performed or poorly coordinated by the government: coordination and policy coherence; developing and disseminating useful economic information; anticipating economic problems; and developing long-term consensus between public and private sectors. To better accomplish these tasks, it is time that a national Economic Cooperation Council was created. Its charter would be simple and basic: (1) to collect, analyze, and disseminate economic data; (2) to create a forum where the gap between business, labor, and government is bridged, where all three develop the trust, understanding, and cooperation necessary to improve productivity; and, (3) to identify national priorities, make recommendations on how best to reach those goals, and help build consensus for action.

State involvement—Under the guise of increasing the power of state government, the Reagan Administration has actually given the states only the power to decide what programs to cut or eliminate, because of the substantially decreased funding it has made available to the states. Should it be baby clinics, child immunization against disease, day care, maternal health, or youth services? The Democratic Party believes a strong partnership of federal, state and local governments in basic to effective and efficient decision-making, problem-solving, and provision of adequate services. We must also encourage cooperation between states and the private sector. State development agencies are already seeking closer ties to both business and universities. And universities are increasingly looking to the private sector in setting their research agendas.

Local and community involvement—Citizen involvement in governance should be as great as possible. The responsibility for general governance, the delivery of programs and services, and the resolution of problems should be with the level of government that is closest to the citizenry and that can still discharge those responsibilities effectively and efficiently. These levels of government must assure basic civil liberties and justice for all citizens. They must not be abrogated by any local jurisdiction. The federal government should focus on the importance of local initiatives. For example, vocational education is an area where local schools and local business will increasingly be brought together. Financial stability and adequate authority are essential prerequisites to developing successful public-private partnerships and maximizing citizen involvement in governance.

Government financial and technical assistance programs should give preference to viable worker and/or community-owned run businesses, especially as a response to plant shutdowns.

Broadening Labor-Management Cooperation

We support greater employee participation in the workplace. Employees should have an opportunity to make a greater contribution to workplace productivity and quality through actual ownership of the company, employee representation on corporate boards, quality work circles, and greater worker participation in management decisions. The government should encourage employee participation and ownership, particularly as an alternative to plant shutdowns. It is destructive of labor-management relations when concessions extracted from labor to preserve jobs are converted, after the restoration of profitability, into management bonuses, rather than restoring the concessions that the workers made. Such practices offend our sense of fairness, as does the Reagan Administration-inspired union-busting. Essential to fairness in the workplace is the basic right of workers to organize collectively.

Consumer Protection

The Democratic Party strongly reaffirms its commitment to federal programs which are designed to enhance and protect the health and safety of all Americans. Under the Reagan Administration, the critical missions of agencies such as the Consumer Product Safety Commission (CPSC), the National Highway Traffic Safety Administration (NHTSA), the Food and Drug Administration (FDA), the Occupational Safety and Health Administration (OSHA), the Mine Safety and Health Administration (MSHA), and the Federal Trade Commission (FTC) have been ignored and subverted.

The Reagan Administration proposed abolishing the CPSC, which has recalled over 300 million dangerous and defective products in its 10 year history. When it failed to accomplish this, the Administration attempted to submerge CPSC in the Department of Commerce. Also failing in this attempt, the Reagan Administration inflicted massive budget and personnel cuts on the Commission. The impact has been far reaching: recalls declined 66%, inspections were cut in half and over half of CPSC's regional offices have been closed. The result has been a paralysis of mission and an America more susceptible to dangerous products.

The record at the NHTSA, the agency mandated to reduce the appalling annual highway deaths of more than 50,000 Americans, is just as shameful. The President has appointed administrators with no safety background and even less commitment to the public health mission of the agency. Critical lifesaving safety standards, such as one requiring automatic crash protection in cars, have been revoked. The enforcement of defect and recall programs, designed to remove dangerous vehicles from our roads, has been cut back. Recalls are at an all-time low and only one safety standard has been proposed in four years.

At OSHA and MSHA, we have witnessed a retreat from agency mandates to provide safe and healthful working conditions for this nation's working men and women. Existing standards have been weakened or revoked and not one single new standard has been implemented. Similarly, at the FDA there has been an important shift away from removing dangerous and ineffective drugs in favor of weakening standards for products. The FTC has run roughshod over the nation's antitrust laws, allowing 9 of the 10 largest mergers in history to occur.

The dangerous trends in all these areas must be immediately reversed to allow these vital health and safety agencies to pursue their missions aggressively, to protect and enhance the health and safety of all Americans.

Individual Empowerment

The Democratic Party's commitment to full equality is as much a part of providing individual opportunity as it is part of a program of social justice. At the heart of our values as a nation is our belief in independence. Anyone who has brought home a paycheck, bought a car, or paid off a mortgage knows the pride that economic self-sufficiency brings. And anyone who has lost a job, watched one's children go hungry, or been denied a chance at success knows the terrible indignity that comes with dependence.

As Democrats, we share that belief in independence. Our goal is to allow the greatest number of people the greatest opportunity for self-sufficiency.

As a Party, we are committed to preparing people to stand on their own; that is why we insist on adequate nutrition for our children and good education for our young people. We are committed to permitting independence; that's why we believe discrimination on any basis must come to an end. We believe that independence should be prolonged for as long as possible; to ensure it continues even after retirement, we support Social Security and Medicare. And we believe we must preserve the self-respect of those who are unable to be completely self-sufficient—the very young, the unskilled, the disabled, the very old—and to help them toward as much independence as possible. As much as it is a strategy for long run economic growth, individual empowerment must itself be an operating philosophy. In the welfare system, in education, and in the laws affecting everyone from shareholders to the average voter, the Democratic Party

will ask if the individual is being made stronger and more independent.

America in a World Economy

The reality of international competition in the 1980's requires government policies which will assure the competitiveness of American industry and American workers. Democrats will support and encourage innovation and research and development in both the private and public sector. We will seek to strengthen America's small businesses. And we will pursue trade policies and industrial strategies to ensure that our workers and our businesses can compete fully and fairly in the international arena.

Innovation

Innovation—in process and product technology—is at the heart of our ability to compete in a world economy and produce sustained economic growth at home. And research and development, critical as it is for our growing high technology industries, is no less important for our basic industries. In the past generation, our world leadership in innovation has been increasingly jeopardized. We have not invested enough—or wisely enough—to match our major competitors.

Research and Development—Since the mid-1960s, all the other major industrial nations have increased their expenditures for research and development more rapidly than we have. Over the past decade, manufacturing productivity rose more than four times faster in Japan, more than three times faster in France, and more than twice as fast in both West Germany and the United Kingdom than in the United States. And the number of patents granted to Americans each year has plunged by 40 percent.

The United States should revise its downward trend and increase the percentage of GNP devoted to commercially-related R&D as a long-term spending goal. We must be at the cutting edge, and we will not get there without cooperation between the government and the private sector. As Democrats, our goal is to increase civilian research and development in this country, to expand its commercial application, and to provide more industries with the opportunity to take advantage of it.

At the national level, this means enhanced support for undergraduate and graduate training in science, mathematics, and engineering; increased support to refurbish and modernize university research laboratories; increased support for the National Science Foundation and similar efforts; and a commitment to civilian research and development.

Centers of Excellence.—In the past generation, scientists and engineers, together with educators and business leaders throughout the United States, have begun countless new, high technology businesses such as those in Boston, Massachusetts, California's Silicon Valley, North Carolina's Research Triangle, greater Denver, Colorado, and Austin, Texas to establish this country as a leader in the next generation of high technology industries—biotechnology, polymer sciences, robotics, photovaltaics, marine sciences, microelectronics. The Democratic Party will encourage and support centers that provide for cooperation of academic and entrepreneurial excellence, thereby strengthening our scientific and technological resources and creating tomorrow's jobs.

Small and Minority Business

The Democratic Party recognizes that small businesses create many, if not most of the new jobs in our country, and are responsible for much of the innovation. They are thus our greatest hope for the future. Our capacity as a nation to create an environment that encourages and nurtures innovative new businesses will determine our success in providing jobs for our people. In the private sector, spurring innovation means paying special attention to the needs of small, including minority and women-owned, and rapidly, growing businesses on the cutting edge of our economy.

This will require incentives for research and development and for employee education and training, including relaxing certain restrictions on pension fund investment; targeted reform that stimulates the flow of capital into new and smaller businesses; a tax code that is no longer biased against small and rapidly growing firms; vigorous enforcement of our antitrust laws, coupled with antitrust policies that permit clearly legitimate joint research and development ventures; expanded small business access to the Export-Import Bank and other agencies involved in export promotion; and targeted reform that provides for the delivery of community-based, community-supported management assistance, and innovative means of making seed capital available for companies in our large cities, as well as our rural communities.

Rules and regulations should not weigh more heavily on new firms or small businesses than they do on the large, well-established enterprise. Risk taking is a key to economic growth in a modern industrial society. If anything, rules and regulations should encourage it.

The Small Business Administration must once again be responsive to the needs of entrepreneurs, including minorities and women. In addition, the heads of the Small Business Administration, the Minority Business Development Administration and other government agencies must ensure that the needs of smaller minority businesses are met at the regional and local levels. To further meet the needs of smaller minority businesses, we favor increasing government procurement, opportunities for smaller minority firms, encouraging deposits of federal funds in miniority-owned financial institutions, and vigorously implementing all set-aside provisions for minority businesses.

The Democratic Party pledges to bring about these reforms and create a new era of opportunity for the entrepreneurs who have always led the way in our economy.

Meeting the Challenge of Economic Competition

Thirty years ago, half of all goods produced in the world were made in the United States. While we have greatly expanded our output of services, our share of manufactured products is now just one-fifth of the world's total. Once dominant U.S.-industries are now hard-pressed. In April, our trade deficit reached a stunning $12.2 billion for one month. At that rate, we would lose two million or more jobs this year alone. We will not allow our workers and our industries to be displaced by either unfair import competition, or irrational fiscal and monetary policies.

Some of these difficulties we have brought on ourselves, with shortsighted strategies, inadequate investment in plant, equipment, and innovation, and fiscal and monetary policies that have impaired our international competitiveness by distorting the value of the dollar against foreign currencies. But other difficulties have been thrust upon us by foreign nations.

The reality of the 1980's is that the international economy is the arena in which we must compete. The world economy is an integrated economy; the challenge for our political leadership is to assure that the new arena is in fact a fair playing field for American business and consumers. We are committed to pursuing industrial strategies that effectively and imaginatively blend the genius of the free market with vital government partnership and leadership. As Democrats, we will be guided by the following principles and policies.

We need a vigorous, open and fair trade policy that builds America's competitive strength and that allows our nation to remain an advanced, diversified economy while promoting full employment and raising living standards in the United States and other countries of the world; opens overseas markets for American products; strengthens the international economic system; assists adjustment to foreign competition; and recognizes the legitimate interests of American workers, farmers and businesses.

We will pursue international negotiations to open markets and eliminate trade restrictions, recognizing that the growth and stability of the Third World depends on its ability to sell its products in international markets. High technology, agriculture and other industries should be brought under the General Agreement on Trade and Tariffs. Moreover, the developing world is a major market for U.S. exports, particularly capital goods. As a result, the U.S. has a major stake in international economic institutions that support growth in the developing world.

We recognize that the growth and development of the Third World is vital both in global stability and to the continuing expansion of world trade. The U.S. presently sells more to the Third World than to the European Community and Japan combined. If we do not buy their goods, they cannot buy ours, nor can they service their debt. Consequently, it is important to be responsive to the issues of the North/South dialogue such as volatile commodity prices, inequities in the functioning of the international financial and monetary markets, and removal of barriers to the export of Third World goods.

If trade has become big business for the country, exports have become critical to the economic health of a growing list of American industries. In the future, national economic policy will have to be set with an eye to its impact on U.S. exports. The strength of the dollar, the nature of the U.S. tax system, and the adequacy of export finance all play a role in making U.S. exports internationally competitive.

The United States continues to struggle with trade barriers that affect its areas of international strength. Subsidized export financing on the part of Europe and Japan has also created problems for the United States, as has the use of industrial policies in Europe and Japan. In some cases, foreign governments targets areas of America's competitive strength. In other cases, industrial targeting has been used to maintain industries that cannot meet international competition—often diverting exports to the American market and increasing the burden of adjustment for America's import-competing industries. We will ensure that timely and effective financing can be obtained by American businesses through the Export-Import Bank, so that they can compete effectively against subsidized competitors from abroad.

A healthy U.S. auto industry is essential to a strong trade balance and economy. That industry generates a large number of American jobs and both develops and consumes new technology needed for economic vitality. We believe it is a sound principle of international trade for foreign automakers which enjoy substantial sales in the United States to invest here and create jobs where their markets are. This can promote improved trade relations and a stronger American and world economy. We also believe U.S. auto makers need to maintain high volume small car production in the U.S. With the U.S. auto companies' return to profitability (despite continued unemployment in the auto sector), we urge expanded domestic investment to supply consumers with a full range of competitive vehicles. We support efforts by management and labor to improve auto quality and productivity, and to restrain prices.

Where foreign competition is fair, American industry should compete without government assistance. Where competition is unfair, we must respond powerfully. We will use trade law and international negotiations to aid U.S. workers, farmers, and businesses injured by unfair trade practices.

We need industrial strategies to create a cooperative partnership of labor, capital, and managment to increase productivity and to make America competitive once more. Our keystone industries must be modernized and rebuilt, through industry-wide agreements. Where necessary, through Presidential leadership, we must negotiate industrial modernization and growth agreements that commit management to new domestic investment, higher levels of employment and worker training, as well as commit labor to ease the introduction of new technologies.

There must be a broad consensus and commitment among labor, business and financial institutions that industry should and can be assisted, and in a particular way. We believe that all parties to modernization agreements must contribute to their success and that the government must be prepared to use a range of tools—including tax, import, and regulatory relief, and appropriate financing mechanisms—to assist this revitalization. There should be a primary emphasis on private capital in any such agreements.

The problems of individual industries, rather than industry as a whole, is another area in which an Economic Cooperation Council will be effective. In the case of a particular industry, the Council would select sub-councils to solve specific problems. Key members of the interested businesses and unions, financial institutions, academic specialists and other concerned and knowledgeable parties would meet to hammer out proposed strategies and agreements. It is not a question of picking winners and losers. Nor is it always a question of some industries being more important than others. Rather, it is an opportunity for government and the private sector to forge a consensus to capture new markets, to restore an industry to competitive health, or to smooth the transition of workers and firms to new opportunities.

We want industries to modernize so as to restore competitiveness where it is flagging. If temporary trade relief is granted, the *quid pro quo* for relief will be a realistic, hardheaded modernization plan which will restore competitiveness involving commitments by all affected parties. The public is entitled to receive a fair return on its investment. Where government initiatives are necessary to save an industry like steel, auto or textiles, we must see that those initiatives meet the needs of the whole community—workers as well as executives, taxpayers and consumers as well as stockholders.

To facilitate the efforts of workers and communities to keep plants open and operating and, in cases which closings are unavoidable, to help workers and communities to adapt, we support a requirement that companies give advance notification of plant closings or large-scale layoffs to their employees, surrounding communities and local governments. Where plants are nonetheless closed, we will help workers and communities to adapt.

Finally, we need a vigorous effort to redress the currency distortions that are undermining our international competitiveness. In addition to reducing our budget deficit, we will press for improved economic coordination with the major industrialized nations; work with Japan and other countries to further liberalize currency and investment regulations; and negotiate toward agreements that will blunt speculative currency swings and restore stability and predictability to the international monetary system.

Agriculture

Agriculture—America's largest, most fundamental industry—has been plunged into its worst depression since Herbert Hoover presided over the farm economy's collapse half a century ago. During President Reagan's stewardship of our nation's agriculture economy: real prices paid to farmers for their commodities have plummeted by twenty-one percent; real interest rates paid by farmers have increased by as much as 1,200 percent; real farm income has fallen to its lowest level since 1933; debt owed by U.S. farmers and ranchers has swelled to $215 billion; and farm foreclosures and forced sales have tripled.

Ronald Reagan has hung a "for sale" sign on America's independent, family-based system of agricultural production. While these farmers have raised their production efficiency to record highs, Reagan's policies have forced down their prices, income, and financial worth.

The Reagan Administration has been unwilling to take sensible, fiscally responsible action needed to halt this accelerating downward cycle in agriculture. Because of this failure of leadership, nearly 200,000 good farmers and ranchers, including minority farmers, have gone out of business since he took office in 1981. This is a rate of more than 1,000 families pushed off their land every week, the equivalent of all the farms and ranches in California and Iowa, our two largest agricultural states. Hundreds of thousands of the remaining enterprises teeter on the brink of bankruptcy and cannot survive another four years of this Administration's agricultural mismanagement.

This collapse is happening despite the fact that Ronald Reagan has squandered taxpayers' money on his farm policies, spending $31 billion on his programs last year alone. That is *six times more* than any other President in history has spent on farm programs, and it is *$9 billion more* than was spent on farm programs *in all eight years* of President Kennedy's and President Johnson's Administrations combined.

Like 1932 and 1960, this election year represents a watershed for American agriculture. At stake is the survival of the family farm. Under President Reagan's policies of high costs and low prices, these family farmers cannot survive. They will continue to go out of business at a historic pace, to be replaced by an industrialized structure of agriculture that is dominated by conglomerates, giant farm combinations, and tax loss ventures. Already, under Reagan, 65 percent of net farm income has been concentrated in the hands of the largest 1 percent of farms, up from 42 percent just three years ago.

The Democratic Party renews its commitment to the family farm structure of American agriculture. We believe that the public need for a reliable supply of high-quality, reasonably priced food and fiber is best met by family farm enterprises whose primary business is farming or ranching. It is from hundreds of thousands of those competitive, diverse, decentralized, entrepreneurial families that the public gains superior agricultural efficiency and productivity. Accordingly, it is in these farming families that the public finds its most sensible investment. In addition, these farmers are the ones who show greatest concern for good conservation practices, quality of food, and rural values. We need more of these farmers, not fewer.

The Democratic Party pledges action. We must solve the immediate farm crisis through a combination of humanitarian aid programs abroad, aggressive promotion of farm exports, and a fair moratorium on farm debt and foreclosure by federal credit agencies to family farm borrowers being forced out of business through no fault of their own, until a long-term program addressing the farm credit crisis can be put into place. Beginning next January with the writing of a new long-term farm bill, the Democratic Party pledges to rebuild a prosperous system of family farms and ranches. We will forge a new agreement on a farm and food policy that assures a fair deal for family farmers, consumers, taxpayers, conservationists, and others with a direct stake in the organizational structure of the food economy.

Our goal is to restore the faith of family farmers that their hard work, ingenuity, efficiency, and good stewardship will be rewarded with profit, rather than debt. We seek a program that is focused specifically on the true family farm, that encourages long-term financial planning, that is tied to locally-approved soil conservation programs, and that reduces federal budget costs for farm programs.

We will target federal assistance toward true family-sized and beginning farmers' operations. We will stop good, efficient farmers from being thrown off their farms, while structuring incentives so as to achieve maximum participation in farm commodity programs. We will bring farm credit interest rates down and set supports at levels that at least enable farmers to recover actual production costs. We will use the full range of programs to reduce excess production when necessary to assure fair prices to farmers. As the overall economy improves, we will gradually adjust price supports toward a firm goal of parity of income. We will give new emphasis to producer-controlled marketing arrangements. We will revitalize the farmer-owned commodity reserve system. We will put in place tax policies that are fair to farmers, while removing unproductive incentives for investors seeking to avoid taxes. We must protect family farmers from land speculators and we must protect both farmers and consumers from income losses resulting from exorbitant pricing of middlemen. We will renew our country's historic

commitment to agricultural science and education, to rural services such as cooperative electrification and telephones. We oppose Reagan Administration proposals that would more than double interest rates to rural cooperatives, and sharply reduce rural electric loan levels.

The Democratic Party reaffirms its commitment to soil and water conservation. We will actively promote the production of ethanol and other biomass sources of renewable energy and encourage conversion to energy self-sufficient farming operations.

Finally, we must reverse the annual decrease in the value and volume of U.S. farm exports which has occurred in each year of Ronald Reagan's term. Our farm exports are vital to the nation's prosperity and provide a major part of total farm income. We must restore the ability of U.S. farm products to compete in world markets, and increase world-wide demand for American agricultural products. To do this, we must make major changes in Ronald Reagan's economic policies, and correct his grossly distorted currency exchange rates, which have caused American competitiveness in international trade to decline. We must also resist efforts to lower commodity price supports; such action would only lower farm income without addressing the economic policies which are the root cause of declining competitiveness of U.S. farm products in world markets.

Critical to the recovery of farm income and exports will be the pursuit of economic policies that contribute to worldwide economic recovery. Flexible export credit programs and assurances of long-term availability of U.S. farm products will also be necessary to restore America's preeminence as an agricultural exporter and end the destruction of the family farm brought on by Ronald Reagan.

Managing Our Natural Resources

Our economy, the quality of our lives, and the kind of opportunities that we leave to our children all depend on how well we manage our wealth of natural resources. We must harvest enough timber and food, produce enough minerals, coal, oil and gas, and provide enough electric power to keep our economy growing. We must be prepared to avoid severe dislocations when conflicts in other parts of the world force energy prices to climb. At the same time that we encourage enhanced energy production, we must recognize that conserving irreplaceable resources, using energy efficiently instead of wasting it, and protecting our environment help guarantee a better life for twenty-first century America.

Protecting Our National Security

President Reagan has reduced our ability to defend our economy from the disruptions that would come if conflicts in other countries interrupt the world's oil supply. While the percentage of our oil imports from the Middle East has dropped, U.S. oil imports from other countries have increased. If war in the Middle East cuts back oil supplies from that region, Europe and Japan will pay higher prices to get replacement oil; a bidding war among oil-importing nations means that the price of oil all over the world, including the United States, will rise dangerously.

Ronald Reagan has refused to prepare us for that day. He has refused to fill the Strategic Petroleum Reserve as quickly as authorized by law, and in case of emergency, he has made clear that his policy will be simply to allow those who can pay the most to buy whatever supplies are available.

Our Party must spell out a comprehensive program for energy security. We should accelerate the filling of the Strategic Petroleum Reserve, so that it can play its intended role as a temporary national oil supply during future energy emergencies. And in an oil crisis, a Democratic President will make ever effort to ensure that essential users—schools, farmers, hospitals, local bus and rail systems—have the supplies they need at reasonable prices. The Democratic Party will ensure that the especially vulnerable—the unemployed, the elderly, the poor—will not be unfairly forced to share the burden of rising oil prices.

Developing U.S. Energy Supplies

In today's complex world, no industrial nation can be fully self-sufficient. The United States and all countries in the free world depend on each other for resources, as markets, or as economic and political allies. But the strength of our own economy and the influence we exercise in the rest of the world are sure to be increased if we are capable of supplying more, not less, of our own energy.

America is blessed with abundant coal and natural gas, substantial supplies of oil, and plentiful reserves of uranium. Although very costly to process, vast supplies of oil shales and tar sands represent future energy sources. Significant contributions to our energy supply can be made by utilizing renewable resources and indigenous energy, such as active and passive solar systems, windpower, geothermal and ocean thermal power, and the recovery of gas from agricultural wastes, coal mines, and garbage dumps. These proven energy sources, a well as more experimental energy systems, should be encouraged for the positive environmental and economic contribution they can make to our energy security.

The Democratic Party supports the aggressive promotion of coal exports, research and development into better technologies for using coal, and assurances that rates for transporting coal are fair and reasonable. To ensure that the environment and worker safety are fully protected as coal production increases to meet our national energy needs, we will virgorously implement and strictly enforce laws governing worker safety, land reclamation, air and water quality, and the protection of agriculture, fish, and wildlife.

The Democratic Party will support research and development for solar energy and other renewable energy systems, and will provide incentives for use of solar and other emerging energy systems. We will vigorously pursue our solar energy efforts and dramatically increase funding for the Solar Energy and Energy Conservation Bank and low-income weatherization, which could put hundreds of thousands of unemployed people to work weatherizing and installing solar energy systems in millions of American homes, especially the homes of low-income Americans. We oppose the Reagan Administration's efforts to fund these programs through petroleum price overcharge refunds from the oil companies.

We will support the federal research and development efforts slashed by the Reagan Administration, to promote the discovery of new energy supplies and energy use technologies.

The Democratic Party strongly opposes the Reagan Administration's policy of aggressively promoting and further subsidizing nuclear power. Today, millions of Americans are concerned about the safety of nuclear power plants and their radioactive waste. We recognize the safety and economic factors which bring into question the viability of this energy source.

We will insist on the highest possible standards of safety and protection of public health with respect to nuclear power, including siting, design, operation, evacuation plans, and waste disposal procedures. We will require nuclear power to compete fairly in the marketplace. We will reexamine and review all federal subsidies to the nuclear industry, including the Price-Anderson Act's limits on the liability of the industry which will be considered for re-authorization in the next Congress. A Democratic Administration will give the Nuclear Regulatory Commission the integrity, competence, and credibility it needs to carry out its mandate to protect the public health and safety. We will expand the role of the public in NRC procedures.

The Democratic Party believes high-level radioactive waste and other hazardous materials should be transported only when absolutely necessary. We will guarantee states full participatory rights in all decisions affecting the movement of high-level radioactive waste within their borders. We will require radioactive waste and hazardous materials emergency response plans along transportation routes, similar to those required for nuclear power plants. The Democratic Party will act swiftly to ensure states' authority to regulate routes and schedules for radioactive and other hazardous shipments.

We will ensure that no offshore oil and gas exploration will be taken up that is inconsistent with the protection of our fisheries and coastal resources. The leasing of public lands, both onshore and offshore, will be based on present demand and land use planning processes, and will be undertaken in ways that assure fair economic return to the public, protection of the environment and full participation by state and local governments. The Coastal Zone Management Act should be amended to require initial leasing decisions to be consistent with federally approved state and territorial coastal zone management plans. Interior states should be given consultation and concurrence rights with respect to onshore leases comparable to the rights afforded coastal states with respect to offshore leases.

We believe that synthetic fuels research and development support should emphasize environmental protection technologies and standards and hold out reasonable hope of long-term economic viability. The Democratic Party proposes to reevaluate the Synthetic Fuels Corporation.

Energy Conservation

The high cost of producing and using energy now constitutes a substantial share of U.S. capital spending. Energy conservation has become essential to our economy as well as our national security.

Strict standards of energy efficiency for home appliances, for example, could save enough money in the next 15 years to avoid the need for 40 new power plants. Better insulated houses and apartments can sharply reduce power and heating bills for families throughout America, and help utilities avoid the high cost of building more expensive powerplants.

Ronald Reagan sees no role for government in conserving energy, and he has gutted promising conservation efforts. The Democratic Party supports extension of the existing tax credits for business and residential energy conservation and renewable energy use, and expansion of those tax cred-

its to include the incorporation of passive solar designs in new housing. The Democratic Party also supports faithful implementation of existing programs for energy efficiency standards for new appliances; upgrading of fuel efficiency standards for new automobiles; establishment of comparable fuel efficiency standards for new light trucks and vans; and development of an energy efficiency rating system to be used to advise homebuyers at the time of sale of the likely future energy costs of houses.

Lifeline Utility Rates

Recognizing that the elderly and the poor suffer most from high energy costs, the Democratic Party supports special, lower electricity and natural gas rates for senior citizens and low-income Americans.

Recycling

The Democratic Party recognizes that recovering and recycling used materials can conserve energy and natural resources, create additional jobs, reduce the costs of material goods, eliminate solid waste and litter, and avoid pollution. We will increase efforts to recover and recycle useful materials from municipal waste.

Protecting Our Environment

Americans know that indutrial production and economic development do not have to mean ruined land or polluted air and water. Sound resource management, careful planning, and strict pollution control enforcement will allow us to have a prosperous economy and a healthy environment. For the last four years the Reagan Administration has assumed a radical position, working to eliminate the environmental protections forged through years of bipartisan cooperation.

Ronald Reagan's first appointees to key environmental positions have already been forced to resign. But the American people are entitled to more than the absence of scandal—they demand real action to protect the health and safety of our families and communities. The Democratic Party supports revitalizing the Environmental Protection Agency by providing it with a budget increase adequate to allow it to carry out its substantially increased responsibility to protect the people and enforce the law.

Hazardous Wastes

Thousands of dump sites across America contain highly dangerous poisons that can threaten the health and safety of families who live nearby or who depend on water supplies that could be contaminated by the poisons. Although Congress has established the Superfund for emergency cleanup of these dangerous sites, President Reagan refuses to use it vigorously. The Democratic Party is committed to enforcing existing laws, to dramatically increasing Superfund resources to clean up all sites that threaten public health, and to assuring that everyone whose health or property is damaged has a fair opportunity to force the polluters to pay for the damage. This increased support should be financed at least in part through new taxes on the generation of hazardous wastes, so companies have an economic incentive to reduce the volume and toxicity of their dangerous wastes.

The Resource Conservation and Recovery Act should be expanded to include major new requirements for safer management of newly generated toxic waste. High priority must be given to establishing and implementing a program to phase out the land disposal of untreated hazardous waste, requiring instead that it be treated by chemical, biological, or thermal processes that render it harmless and safe for disposal. The Environmental Protection Agency also should adopt standards to ensure that the safest possible methods of managing particular wastes are used, and that available methods are used to reduce the volume and toxicity of waste produced by industry.

Clean Air and Water

The Democratic Party supports a reauthorized and strengthened Clean Air Act. Statutory requirements for the control of toxic air pollutants should be strengthened, with the environmental agency required to identify and regulate within three years priority air pollutants known or anticipated to cause cancer and other serious diseases. The Democratic Party calls for an immediate program to reduce sulfur dioxide emissions by 50% from 1980 levels within the next decade; this program shall include interim reductions within five years of its enactment. In addition, significant progress will be made to further reductions of nitrogen oxide emissions. Our effort should be designed to reduce environmental and economic damage from acid rain while assuring such efforts do not cause regional economic dislocations. Every effort should be made to mitigate any job losses associated with any national acid rain program.

The Democratic Party is committed to strengthening the Clean Water Act to curb both direct and indirect discharge of toxic pollutants into our nation's waters, and supports a strengthened Environmental Protection Agency to assure help to American cities in providing adequate supplies of drinking water free of toxic chemicals and other contaminants.

Workplace Safety

The Democratic Party believes all Americans, in their workplaces and communities, have the right to know what hazardous materials and chemicals they may have been exposed to and how they may protect their health from such exposure. The Democratic Party supports appropriate funding levels for the Occupational Safety and Health Administration, reversing the Reagan budget cuts in that agency; vigorous enforcement of occupational safety and health standards; and worker right-to-know requirements.

Pesticides and Herbicides

The Democratic Party is committed to establishing standards and deadlines requiring all pesticides and herbicides to be thoroughly tested to ensure they do not cause cancer, birth defects, or other adverse health effects. We support rigorous research and information programs to develop and assist farmers with the use of integrated pest management and non-chemical pest control methods to reduce the health risk of controlling agricultural pests, and the establishment of strict deadlines to ensure that pesticides are fully tested and in compliance with health and safety standards. The Democratic Party is committed to ensuring that our nation's food supply is free of pesticides whose danger to health has been demonstrated, and believes it is irresponsible to allow the export to other nations of herbicides and pesticides banned for use in the U.S. and will act swiftly to halt such exports.

EPA Budget

The Democratic Party opposes the Reagan Administration's budget cuts, which have severely hampered the effectiveness of our environmental programs. The Environmental Protection Agency should receive a budget that exceeds in real dollars the agency's purchasing power when President Reagan took office, since the agency's workload has almost doubled in recent years.

International Leadership

The Democratic Party strongly opposes the Reagan Administration's abandonment of the United States' historic leadership role in international efforts to control pollution, contrary to our interests and those of our allies. We will restore immediately our nation's leadership on international environmental issues, making the United States once again the best example of an industrial nation committed to protecting its land, water and air resources, as well as those of its neighbors.

Federal Compliance

The Democratic Party will require all federal activities, including those associated with the Departments of Defense and Energy, to comply fully with federal health, safety and environmental laws.

Managing Our Public Lands

The Democratic Party believes in retaining ownership and control of our public lands, and in managing those lands according to the principles of multiple use and sustained yield, with appropriate environmental standards and mitigation requirements to protect the public interest. The Democratic Party supports the substantial expansion of the National Wilderness Preservation System, with designations of all types of ecosystems, including coastal areas, deserts, and prairies as well as forest and alpine areas. Congressional decisions to designate wilderness should include evaluations of mineral resources and other potential land values. Further, the Democratic Party believes that publicly owned timber resources should be priced at levels that reflect their true market value, taking into consideration their true costs to the government. Grazing on our public lands should not impair our grassland resources.

The Democratic Party believes the process of designating rivers for inclusion in the national wild and scenic rivers system, halted by the Reagan Administration, should be preserved in their free-flowing condition for the benefit and enjoyment of present and future generations.

The Democratic Party supports adequate funding of and restoration of federal programs to protect fully national parks, wildlife refuges, and wilderness areas from external and internal threats. Development activities within national wildlife refuges which are not compatible with the purposes for which the refuges were designated should not be allowed. The letter and the spirit of the Alaska National Interest Lands Conservation Act of 1980 should be followed, with an end to unsound land exchanges and other efforts to circumvent the law.

A new Democratic Party will provide adequate appropriations for the Land and Water Conservation Fund.

Wetlands—The Democratic Party supports coherent and coordinated federal policies to protect our nation's valuable and disappearing wetlands, which are critical nurseries for commercial fisheries and vital ecological, scenic, and recreational resources. These policies will include more active efforts to acquire threatened wetland areas, consideration of new tax incentives to encourage private efforts to preserve instead of develop wetlands, and elimination of cur-

rent incentives that encourage wetlands destruction.

Wildlife—Fishing, hunting, and enjoyment of America's wildlife can continue to be an important part of our natural heritage only through active programs to maintain the diversity and abundance of plants, animals, and natural habitats. The Democratic Party supports protection of endangered species, land management to maintain healthy populations of wildlife, and full United States participation to implement international wildlife treaties.

Water Policy—The Democratic Party recognizes that finite and diminishing quantities of water, and often antiquated, inadequate, or inefficient water supply systems, threaten economic growth and the quality of life in all regions of the country. We recognize that federal leadership is necessary to meet these needs, and to do so in environmentally sound ways.

The Democratic Party supports the creation of a national water resources planning board and a comprehensive review of the nation's water needs. We support major new water policy efforts addressing several national needs:

We will help meet our nation's infrastructure needs, including the construction of new projects which are economically and environmentally sound. New water project construction starts, by the Corps of Engineers throughout the country and by the Bureau of Reclamation in the West, are critical. In all cases, we will consider innovative and nonstructural alternatives on an equal basis.

We will examine the water quantity and water quality issues associated with providing adequate water supply.

We will help meet navigation, flood control, and municipal water supply system needs, with new assistance to urban areas needing financial help to rebuild deteriorating water systems.

We will give new priority attention to improving efficiency in the use of water, recognizing that more efficient water use is often the least costly and most environmentally acceptable way to meet our water needs and achieve the fullest possible beneficial use of our water resources.

We will carefully coordinate federal water policy efforts with affected state governments, making possible not only cooperative financing of water investments but a commensurate sharing of decision-making authority and responsibility.

We will provide assistance to states addressing the growing problems of groundwater depletion and contamination.

CHAPTER II.—JUSTICE, DIGNITY AND OPPORTUNITY

Introduction

Fulfilling America's highest promise, equal justice for all: that is the Democratic agenda for a just future.

For many of our citizens, it is only in the last two decades that the efforts of a broad, bipartisan coalition have begun to give real meaning to the dream of freedom and equality. During that time Democrats, spurred by the Civil Rights Movement, have enacted landmark legislation in areas including voting, education, housing and employment.

A nation is only as strong as its commitment to justice and equality. Today, a corrosive unfairness eats at the underpinnings of our society. Civil rights laws and guarantees—only recently achieved after hard-fought battles, personal sacrifice and loss of life—are imperiled by an Administration that consciously seeks to turn the clock back to an era when second-class citizenship for women and minorities, disenfranchisement, and *de jure* and *de facto* segregation were very much the facts of life for well over half of America's population. Moreover, justice encompasses more than our nation's laws. The poor, the female, the minority—many of them just like boats stuck on the bottom—have come to experience an implacable and intractable foe in the Reagan Administration.

A new Democratic Administration will understand that the age-old scourge discrimination and prejudice against many groups in American society is still rampant and very much a part of the reason for the debilitating circumstances in which disadvantaged peoples are forced to live. Although strides have been made in combatting discrimination and defamation against Americans of various ethnic groups, much remains to be done. Therefore, we pledge an end to the Reagan Administration's punitive policy toward women, minorities, and the poor and support the reaffirmation of the principle that the government is still responsible for protecting the civil rights of all citizens. Government has a special responsibility to those whom society has historically prevented from enjoying the benefits of full citizenship for reasons of race, religion, sex, age, national origin and ethnic heritage, sexual orientation, or disability.

The goal for the coming decades is not only full justice under the law, but *economic* justice as well. In the recent past, we have put our nation on the road toward achieving equal protection of all our citizens' human rights. The challenge now is to continue to press that cause, while joining a new battle—to assure justice and opportunity in the workplace, and in the economy.

Justice for all in today's America and the America of tomorrow demands not one but two broad guarantees. First, we must guarantee that our nation will reinforce and extend its commitment to human rights and equal opportunity. And second, we must guarantee progress on the new frontier for the future: economic and social justice.

We are determined to enforce the laws guaranteeing equal opportunity, and to complete the civil rights agenda cast aside by the Reagan Administration. No President has the right to do what this Administration has done: to read selectively from the United States Code and simply ignore the laws ensuring basic rights and opportunities because they conflict with this Administration's ideology. As Democrats, we pledge to reverse the trend towards lawlessness which has characterized this Administration, and to keep our commitments to all in our community who look to the government for defense of their rights.

But we recognize that while a first step toward a just society is to guarantee the right of all workers to compete equally for a job, the next step is assuring that enough new jobs are created to give meaningful employment to all our workers for the future.

If in past decades we won the right for minorities to ride at the front of the bus, in coming years we must assure that minorities have the opportunity to own the bus company.

It will not be enough to say that our nation must offer equal access to health care—we must put comprehensive health care within the reach of all of our citizens, at a price all can afford.

It will not do simply to guarantee women a place in the work force—women deserve an equal chance at a career leading to the board of directors.

As Democrats, we believe that human rights and an economy of opportunity are two sides of the same coin of justice. No economic program can be considered just unless it advances the opportunity of all to live a better, more dignified life. No American is afforded economic justice when he or she is denied an opportunity to reap the rewards of economic growth.

Economic justice is also economic common sense. Any who doubt that should consider the toll of welfare, crime, prisons, public housing and urban squalor on our national wealth. We will pay a high price for the all disadvantaged or disenfranchised if we fail to include them in the new economic revolution.

As Democrats, therefore, we pledge to pursue a new definition of justice that meets the new demands of our time. Under a Democratic Administration, equality and fairness under the law will be matched by justice in the economy and in the workplace.

The Future If Reagan Is Reelected

"Twenty years after the Equal Pay Act should have eradicated the last vestige of economic discrimination against women, employers have made little progress in integrating their work force. . . . It is the Republican governor of Washington State, and the Republican County Executive of Nassau County, New York, who are committing public resources to mount a legal defense for their jurisdictions' blantant sex discrimination practices. . . . The Reagan Administration from the outset has made it abundantly clear that civil rights and economic justice are to be sacrificed on the altar of corporate greed. . . ."—Diana Rock, Director of Women's Rights, American Federation of State, County, and Municipal Employees (Democratic Platform Committee Hearing, Cleveland, Ohio, May 21, 1984).

"The Reagan Administration, upon taking office in 1981, set upon a concerted effort to roll back civil rights protections. This attack is underway in agency enforcement, court litigation, legislative initiative, and nominations of federal appointees."—Virna M. Canson, Regional Director, West Coast Region, NAACP (Democratic Platform Committee Hearing, Los Angeles, California, May 14, 1984).

The neglect of our historic human rights commitment will already be recorded as the first legacy of Ronald Reagan's years in the White House. But suppose Mr. Reagan is reelected.

What would become of America's commitment to equal justice and opportunity if Mr. Reagan is reelected?

The hard truth is that if Mr. Reagan is reelected our most vigorous defender of the rule of law—the United States Supreme Court—could be lost to the cause of equal justice for another generation. Today, five of the nine members of that Court are over 75. Our next President will likely have the opportunity to shape that Court, not just for his own term—or even for his own lifetime—but for the rest of ours, and for our children's too.

There can be little doubt that a Supreme Court chosen by Ronald Reagan would radically restrict constitutional rights and drastically reinterpret existing laws. Today, the fundamental right of a woman to reproductive freedom rests on the votes of six members of the Supreme Court—five of whom are over 75. That right could easily disap-

pear during a second Reagan term. Already, the protections against employment discrimination have been restricted by the Court; a Reagan Court surely would reduce them further. The same is true for the right of workers to have a healthy and safe workplace, and to organize collectively in unions. Although the statute protecting voting rights has been extended through a massive bipartisan effort, opposed by the Reagan Administration, a Reagan Supreme Court could still effectively nullify it simply by erecting impossible standards of proof. Not long ago, the Court decided it should hire independent counsel to argue that tax exemptions for racially discriminatory schools were unlawful because the Justice Department refused to do so. Can anyone imagine a Reagan Court doing that? How much easier it would be for a Reagan Court simply to agree with a Reagan Department of Justice.

If Mr. Reagan is reelected, who would protect women and minorities against discrimination?

In the first year after the Reagan Administration assumed office, the number of cases involving charges of employment discrimination filed in court by the EEOC dropped by more than 70 percent. During this Administration, the EEOC has refused to process a single comparable worth case filed by a woman. Meanwhile, the Reagan Justice Department has sought to destroy effective affirmative action remedies, and even to undermine *private* plans to reduce discrimination in employment. The actions of the Reagan Administration serve only to delay the day when fairness is achieved and such remedial measures are, therefore, no longer needed.

It is now clear that if Mr. Reagan is reelected, women and minorities seeking protection of their rights would be forced to contend not only with their employers, but with a hostile government. Equal employment opportunity and equity would remain elusive dreams.

If Mr. Reagan is reelected, who would assure access to justice?

Since the day of its inauguration, the Reagan Administration has conducted a continuous, full-scale war against the federal Legal Services Corporation, whose only job is to ensure that the poor are fairly heard in court, and that they get equal access to our system of justice. Thirty percent of the Corporation's lawyers have been laid off, and the Administration has used every means it could find to stack its Board with people hostile to the very concept of equal justice for the poor.

In the America of Ronald Reagan, you will only get as much justice as you pay for.

If Mr. Reagan is reelected, who would protect the rights of workers?

The Republican Administration has consistently viewed the dollar costs to businesses of providing a safe workplace as more important than the impact of injury and disease on working men and women. It has appointed officials to the National Labor Relations Board who openly oppose the rights of workers to organize and bargain collectively. The Department of Labor has ignored its mandate to enforce fair labor standards and has sought to reverse hard-won gains in protections for worker health and safety.

What would happen if Mr. Reagan is reelected? Will the right to bargain collectively be eviscerated through Republican-approved abuses of the bankruptcy laws? Will the National Labor Relations Act be converted into a tool that limits working men and women and empowers only their employers? Who will ensure that our next generation does not suffer the effects of toxic substances in the workplace—substances whose existence is not even revealed to the worker?

If Mr. Reagan is reelected, who would protect the rights of senior citizens?

Speaking at Philadelphia in 1980 during his campaign, Ronald Reagan vowed to a large audience of senior citizens his strong support for Social Security. He assured thousands of senior citizens on that occasion that as President he would see to it that every commitment made by the federal government to the senior citizens was faithfully kept.

Ronald Reagan violated that promise shortly after he became President. In 1981, speaking to a joint session of Congress, President Reagan said, "We will not cut Medicare." In a matter of weeks thereafter President Reagan asked the Congress of the United States to cut $88 billion in 1981 and the following four years from Social Security programs. He proposed to reduce by a third the number of people protected by the disability insurance program. He proposed to reduce by a third the benefits a senior citizen would receive if he or she retired at 62. He proposed to cut out the burial program for recipients of Social Security.

He proposed to cut millions from programs that Democratic Administrations had provided for the education of the children of the elderly covered by Social Security, slashing the list of beneficiaries of these programs by hundreds of thousands of sons and daughters of men and women covered by Social Security. And he called for the abolition of the $122-a-month minimum benefit program, which would have dropped over three million people from Social Security altogether.

The American people then revolted, and so did the Congress. The Democratic Party put a stop to the decimation of the Social Security program, but not before President Reagan had cut $19 billion from Social Security benefits in 1981 and the ensuing four years. Democrats in Congress forced the restoration of the $122-a-month minimum benefit program to those who were covered before the Reagan cuts, but never succeeded in extending coverage to the additional 7,000 people a month who would have become eligible after the Reagan cuts.

Instead of keeping his word that he would not cut Medicare, Reagan forced Congress every year beginning in 1981 to cut billions from the Medicare program. When Social Security developed financial problems due to massive unemployment in 1982, the Reagan Administration moved to "solve" them by cutting benefits further. Only the Democrats on the Social Security Commission prevented him from doing that.

If Mr. Reagan is reelected, how would we teach our children to respect the law?

We cannot teach our children to respect the law when they see the highest officials of government flaunting it at their will. Lawlessness has been a pattern in this Administration—and it is a pattern that is unlikely to be altered if Reagan and the Republicans stay in the White House.

More than forty top Republican officials have already been implicated in all kinds of wrongdoing. Murky transactions on the fringe of organized crime, accepting gifts from foreign journalists and governments, misusing government funds, lying under oath, stock manipulations, taking interest-free loans from wealthy businessmen who later receive federal jobs—all of these are part of business as usual with Ronald Reagan's appointees.

The Republicans profess to stand for "law and order." But this is the same Administration that vetoed the bipartisan anti-crime bill in 1982. And when it comes to laws they do not like—whether they concern toxic wastes, pure food and drugs, or worker health and safety—this Administration simply makes believe they do not exist. The same is true overseas: this Administration is just as willing to ignore international law as domestic law. When we finally learned of its illegal mining of Nicaragua's harbors, the Reagan Administration hastily attempted, the night before Nicaragua sued us, to withdraw jurisdiction over the question from the World Court. But even this maneuver was carried out in an illegal fashion that the World Court later set aside.

This Republican Administration has been unprecedentedly eager to limit public debate by instituting "security agreements" that censor ex-officials, "revising" the Freedom of Information Act, refusing visas to foreign visitors who might provide another perspective on American policies overseas, and denying our war correspondents their historic position alongside our troops. This comes as no surprise: in the first term, the Reagan Administration had a lot to hide. What would happen in a second?

If Mr. Reagan is reelected, what would happen to our unfinished civil rights agenda?

The answer is clear: an Administration which refuses to enforce the laws that are on the books can hardly be expected to respect—or even recognize—the rights of those who are not already specifically protected by existing law.

Nowhere is this Administration's hostility to equal rights and equal justice more apparent than in its attitude to the Equal Rights Amendment. As soon as the Reagan faction took control of the Republican Party at its convention in 1980, it ended that Party's forty-year commitment to passage of the Equal Rights Amendment. So long as this Administration remains in office, the proponents of unamended ERA have nothing less than an enemy in the White House. And if this is true for the women of America, it is equally true for disadvantaged minorities who must depend on this government's sense of justice to secure their rights and lead independent lives.

Since assuming office, the Reagan Administration has shown more hostility—indeed, more outright and implacable aggression—toward the American ideal of equal justice for all than even its harshest critics would have predicted in 1980. Given its first-term record, even our most pessimistic forecasts for four more Republican years may well fall short of the mark. No one knows the full extent of the damage Reagan could wreak on this country in another term. But we do know one thing: we cannot afford to find out.

The Democratic Alternative: Equal Justice for All

"The Democratic Party is challenged as never before to redirect the present dangerous course of our nation and our world, and to provide meaningful work at adequate pay for all our citizens and justice for all Americans.

"The dream of a nation fully committed to peace, jobs, and justice has fast become a nightmare under this Administration. . . .

"Our choice today is to become just a new party in power in November with new faces and new pledges—or a truly great party with the courage to develop a new vision and a new direction for the sake of our nation and our world."—Coretta Scott King (Democratic Platform Committee Hearing, Washington, DC, June 11, 1984).

"The Equal Rights Amendment is the only guarantee of full equality the women of this nation can trust and count on. We have seen in the past three and one-half years an administration that has gone out of its way to prove that laws, court decisions, executive orders, and regulations are not enough—they can be changed by a new majority, overturned, swept aside, underfunded, or rescinded. Only when the legislative protections against such discrimination are grounded in the bedrock of the Constitution can we feel that the vagaries of changing political climates or a hostile administration will not wipe out those protections."—Judy Goldsmith, President, National Organization for Women (Democratic Platform Committee Hearing, Washington, DC, June 12, 1984).

Equal justice for all, in a Democratic future, means that every individual must have a fair and equal opportunity to fulfill his or her potential, and to be an independent, working member of our society—and it is the commitment of our Party to secure that opportunity.

We are determined to build an America of self-sufficient, independent people. We will enforce the laws guaranteeing equal opportunity and human rights, and complete the unfinished civil rights agenda. We will keep our commitments to all of the members of our community who rely upon our word to stay, or to become, independent—our senior citizens, those who served in our Armed Forces, the handicapped and disabled, the members of our American family who are trapped in poverty, and all Americans who look to government to protect them from the pain, expense, and dislocation caused by crime. And in fulfilling these and all the duties of government, a Democratic Administration will stand as an example to all of integrity and justice.

Equal Justice Under Law

Many have suffered from historical patterns of discrimination and others, because of their recent immigration in sizeable numbers, are subject to new forms of discrimination. Over the years, the Democratic Party has voiced a commitment to eradicating these injustices. In 1948, the Democratic Platform for the first time contained a plank committing this Party to the cause of civil rights. For almost forty years, we have fought proudly for that cause. In 1964, a Democratic President and a Democratic Congress enacted the landmark legislation prohibiting discrimination in employment and public accommodations. And for nearly two decades, a bipartisan commitment has existed in Congress and in the White House to expand and enforce those laws. Until Ronald Reagan.

This Administration has sought to erode the force and meaning of constitutionally-mandated and court-sanctioned remedies for long-standing patterns of discriminatory conduct. It has attempted to create new standards under each of our nation's civil rights laws by requiring a showing of intent to discriminate, and case-by-case litigation of class-wide violations. Its interpretation of two recent Supreme Court decisions attempts to sound the death knell for equal opportunity and affirmative action.

In one case, the Administration interpreted the Court's decision as requiring that equal opportunity mandates associated with the receipt of *all* federal monies apply only to the specific program receiving federal funds. In the other, the Administration is using a ruling in favor of a *bona fide* seniority system to assault all affirmative action plans.

As Democrats, we disagree. Instead, we reaffirm our long-standing commitment to civil rights for all and we pledge to enforce the laws guaranteeing equal opportunity for all Americans. The next Democratic Administration will offer unwavering support for the following:

A Strong, Independent Civil Rights Commission—A Democratic Administration will return the Commission on Civil Rights to an independent status and increase its funding. The Commission must be restored to its original mission of ensuring the enforcement of civil rights by those federal agencies charged with the task.

Strengthened Civil Rights Enforcement—We will restore a strong Equal Employment Opportunity Commission and renew the commitment of the Department of Justice and the Department of Labor to enforce civil rights laws and executive orders. A Democratic Administration will, by vigorously enforcing laws and strengthening education and training opportunities, increase minority participation in the workplace and eliminate wage inequities which leave minorities at the bottom of the pay scale.

Equal Educational Opportunity—The Democratic Party pledges to do all it can, beginning this year, to reverse the decision of the United States Supreme Court in the Grove City College case, and to restore as the law of the land the prohibition of any use of federal financial assistance to subsidize discrimination because of race, national origin, sex, age, or disability. Fulfilling this commitment means that every institution which receives government funds must guarantee equality and equal opportunity in all of its programs.

Religious Liberty and Church-State Separation—The current Administration has consistently sought to reverse in the courts or overrule by constitutional amendment a long line of Supreme Court decisions that preserve our historic commitment to religious tolerance and church/state separation. The Democratic Party affirms its support of the principles of religious liberty, religious tolerance and church/state separation and of the Supreme Court decisions forbidding violation of those principles. We pledge to resist all efforts to weaken those decisions.

Ensure Fair Housing—We will enhance the authority of the Department of Housing and Urban Development to enforce our fair housing laws. A Democratic Administration will work to provide the Department with the resources and the power to seek cease and desist order to prevent housing discrimination against minorities, women and families with children.

Affirmative Action—The Democratic Party firmly commits itself to protect the civil rights of every citizen and to pursue justice and equal treatment under the law for all citizens. The party reaffirms its long-standing commitment to the eradication of discrimination in all aspects of American life through the use of affirmative action, goals, timetables, and other verifiable measurements to overturn historic patterns and historic burdens of discrimination in hiring, training, promotions, contract procurement, education, and the administration of all federal programs. A Democratic administration will resist any efforts to undermine the progress made under previous Democratic administrations and shall strongly enforce federal civil rights standards such as equal opportunity, affirmative action in employment, contract procurement, education, and training. The federal government must set an example and be a model for private employers, making special efforts in recruitment, training, and promotion to aid minority Americans in overcoming both the historic patterns and the historic burdens of discrimination. We will reverse the regressive trend of the Reagan administration by making a commitment to increase recruitment, hiring training, retraining, procurement, and promotional opportunity at the federal level to aid minority Americans and women. We call on the public and private sectors to live up to and enforce all civil rights laws and regulations, i.e., Equal Employment Opportunity Programs, Title VI and Title VII of the Civil Rights Act, the Fair Housing Laws, and affirmative action requirements.

Eliminate Ethnic-Stereotyping and Recognize Ethnic Diversity—While strides have been made in combatting discrimination and defamation against Americans of various ethnic groups, ethnic stereotyping continues. We support cooperation and understanding between racial, ethnic, and cultural groups and reject those who promote division based on fear or stereotyping which have their basis in social and economic inequity. We encourage respect for America's ethnic diversity.

Equal Access to Justice—Democrats believe that all our government processes should be open to all Americans, and that no essential right should be denied based on wealth or status. We therefore strongly support a well-funded, unrestricted Legal Services Corporation to ensure that none of our citizens is denied the full benefits of our judicial system. No American should suffer illegality or abuse simply because he or she is poor. And lawyers for the poor must not be prevented from acting in accordance with the same ethical canons as apply to lawyers for the rich: to represent their clients with all the zeal, devotion, energy, and creativity that the law allows.

Equal Rights for Women—A top priority of a Democratic Administration will be ratification of the unamended Equal Rights Amendment. In a Democratic America, the Constitution will be amended to provide:

Section 1. Equality of rights under the law shall not be denied or abridged by the United States or by any State on account of sex.

Section 2. The Congress shall have the power to enforce, by appropriate legislation, the provisions of this article.

Section 3. This article shall take effect two years after the date of ratification.

We will insist on pay equity for women. Today, white women who can find work earn, on average, only 62 cents for every dollar earned by white men. Black women earn only 58 cents for every dollar earned by white men, and Hispanic women only 56 cents. The earnings gap—and the occupational segregation of women which it reflects—extends to all women at every educational level, but is most pronounced among black and other women of color who are confronted by historical and contemporary racial barriers which transcend sex. The Democratic Party defines nondiscrimination to encompass both equal pay for equal work

and equal pay for work of comparable worth, and we pledge to take every step, including enforcement of current law and amending the Constitution to include the unamended ERA, to close the wage gap.

We also support efforts to reform private and civil service pension rules to ensure equal treatment for women, prohibit discrimination in insurance practices, and improve enforcement of child-support obligations.

Our Party also recognizes that women cannot compete equally with men so long as they are expected to choose between having a job and having a family. The Democratic Party calls for universally available day-care with federal or business funding, for meaningful part-time work, and for flex-time on the job so that women—and men—can shape even full-time jobs around their family schedules.

Political Empowerment for Minorities and Women—The Democratic Party is committed to placing women as well as minorities in positions of power in government. We establish the goal of doubling the number of minorities and women in Congress by 1988. We will create and fund a talent bank of minorities and women to fill policy positions in the next Administration. We will recruit women and minorities to run for Governorships and all state and local offices. The Democratic Party (through all of its campaign committees) will commit to spending maximum resources to elect women and minority candidates and offer these candidates in-kind services, including political organizing and strategic advice. And the bulk of all voter registration funds will be spent on targeted efforts to register minorities and women.

Reproductive Freedom—The Democratic Party recognized reproductive freedom as a fundamental human right. We therefore oppose government interference in the reproductive decisions of Americans, especially government interference which denies poor Americans their right to privacy by funding or advocating one or a limited number of reproductive choices only. We fully recognize the religious and ethical concerns which many Americans have about abortion. But we also recognize the belief of many Americans that a women has a right to choose whether and when to have a child. The Democratic Party supports the 1973 Supreme Court decision on abortion rights as the law of the land and opposes any constitutional amendment to restrict or overturn that decision. We deplore violence and harrassment against health providers and women seeking services, and will work to end such acts. We support a continuing federal interest in developing strong local family planning and family life education programs and medical research aimed at reducing the need for abortion.

The Rights of Workers—This nation established a labor policy more than a generation ago whose purpose is to encourage collective bargaining and the right of workers to organize to obtain this goal. The Democratic Party is committed to extending the benefit of this policy to all workers and to removing the barriers to its administration. To accomplish this, the Democratic Party supports: the repeal of Section 14B of the National Labor Relations Act; labor law reform legislation; a prohibition on the misuse of federal bankruptcy law to prevent the circumvention of the collective bargaining process and the destruction of labor-managment contracts; and legislation to allow building trades workers the same peaceful picketing rights currently afforded industrial workers.

We support the right of public employees and agricultural workers to organize and bargain collectively, and we will act to assure that right. Inasmuch as farm workers are excluded from coverage under the National Labor Relations Act, the Democratic Party recognizes the heroic efforts of farm workers to gain contracts and their right under the law to use boycotts as an effective tool to achieve such ends. We must restore to federal workers their First Amendment rights by reforming the Hatch Act. We must also protect federal and private sector workers from invasions of their privacy by prohibiting the use of polygraphs and other "Truth Test" devices. In addition, the Mine Health Safety Act and the Occupational Health and Safety Act must be properly administered, with the concern of the worker being the highest priority. All efforts to weaken or undermine OSHA's basic worker protection provisions, or to shirk the duty to enforce them, are unacceptable and intolerable. For the victims of occupational disease, we insist on legislation to assure just compensation and adequate health care for these workers as well as vigorous enforcement action by OSHA to eradicate the causes of occupational disease. All fair labor standards acts, such as the minimum wage and Davis-Bacon protections, must be effectively enforced. We reject the so-called "sub-minimum wage" as an appropriate tool of social or economic policy. We strongly oppose workfare which penalizes welfare recipients and undercuts the basic principle of equal pay for equal work. Workfare is not a substitute for a jobs program.

The Responsibility of Economic Institutions—The Democratic Party continues to support the struggle of all citizens to secure economic equality. Therefore, we support policies calling for increased involvement of minorities and women in job training and apprenticeship programs. The Democratic Party encourages all economic institutions, including business and labor, to work actively to ensure that leadership at all levels of decision-making reflects the ethnic and gender diversity of the relevant work force by expanding opportunities for training and advancement.

Enforcing the Voting Rights Act—The right to vote—and to have one's vote counted fully and fairly—is the most important civil right of every American citizen. For without it, no other social, economic, or political rights can be fully realized.

Nothing is more shameful in the record of the Reagan Administration than its willful refusal to fulfill its responsibility to guarantee the voting rights of every American. Instead of moving America forward by expanding voting rights and by eliminating barriers to voting by minority citizens, the Reagan Administration fought a year-long, rear-guard action against efforts to strengthen the Voting Rights Act.

The Democratic Party commits itself to a wholly different course than that of the Reagan Administration. For while we are proud of our record of commitment to civil rights in the past, we recognize that the test of our commitment is what a Democratic Administration will do in the future. Despite the great progress in securing voting rights for minority Americans in the past, there remains throughout our nation voting rules, practices, and procedures that have been and are used to discriminate against many citizens to discourage or deny their right to register and to vote, or dilute their vote when they do.

A Democratic President and Administration pledge to eliminate any and all discriminatory barriers to full voting rights, whether they be at-large requirements, second-primaries, gerrymandering, annexation, dual registration, dual voting or other practices. Whatever law, practice, or regulation discriminates against the voting rights of minority citizens, a Democratic President and Administration will move to strike it down.

This is more than a verbal pledge. For minority citizens have waited far too long already to realize their full voting rights.

To prevent any further delay, the Democratic Party pledges to fund a serious, in-depth study of the use of second primaries and other practices throughout the nation that may discriminate against voting rights. This study shall be completed in ample time prior to the 1986 elections for the Party to act.

The Democratic Party commits to use its full resources to eliminate any second primary, gerrymandering, at-large requirements, annexation, dual registration, dual voting or other voting practices that discriminate or act to dilute votes of minority citizens.

Wherever a runoff primary or other voting practice is found to be discriminatory, the State Party shall take provable, positive steps to achieve the necessary legislative or party rules changes.

Provable positive steps shall be taken in a timely fashion and shall include the drafting of corrective legislation, public endorsement by the state Party of such legislation, efforts to educate the public on the need for such legislation, active support for the legislation by the state Party lobbying state legislators, other public officials, Party officials and Party members, and encouraging consideration of the legislation by the appropriate legislative committees and bodies.

A Democratic Administration pledges also that the Justice Department shall initiate a similar study, and use the full resources of the law to eliminate any voting practice, such as second primaries, gerrymandering, annexation, dual registration, dual voting, or any other practice that discriminates or acts to dilute votes of minority citizens.

A Democratic President and Administration will use the full resources of the Voting Rights Act of 1982, with its strengthened enforcement powers, to investigate and root out any and all discriminatory voting barriers. A Democratic President will appoint as Attorney General, as Assistant Attorney General for Civil Rights, and throughout the Justice Department individuals with a proven record of commitment to enforcing civil rights and voting rights for all our citizens. The full resources of the Justice Department shall be used to investigate fully and speedily all alleged instances of discriminatory barriers. And a Democratic Administration shall use the full resources of the law, the power of government, and shall seek new legislation, if needed, to end discrimination in voting wherever it exists.

We are committed to a massive, nationwide campaign to increase registration and voting participation by women and minorities, including Blacks, Asian Americans, native Americans, and Hispanics. Moreover, our Party must call for the creation of a new program to strengthen our democracy and remove existing obstacles to full participation in the electoral process. We should allow registration and voting on the same day (same day plans have worked well in several states) and we should provide mail-in registration forms throughout our communities. We should consider holding our

elections on weekends or holidays, instituting 24-hour voting days, staggering voting times, and closing all polling places across the country at the same time.

We call on the television networks and all other media in the case of presidential elections to refrain from projecting winners of national races, either implicitly or explicitly, while any polls are still open in the continental United States; in the case of state elections, to refrain from projecting winners within a state, either implicitly or explicitly, while any polls in that state are still open.

Voting Rights for the District of Columbia—The Democratic Party supports self-determination for the District of Columbia that guarantees local control over local affairs and full voting representation in Congress. Towards this end, the Democratic Party supports the attainment of statehood for New Columbia; ratification of the District of Columbia Voting Rights Amendment; legislative, judicial, and fiscal autonomy; and a formula-based federal payment.

Puerto Rico—We continue to support Puerto Rico's right to enjoy full self-determination and a relationship that can evolve in ways that will most benefit U.S. citizens in Puerto Rico. The Democratic Party respects and supports the desire of the people of Puerto Rico, by their own will freely-expressed in a peaceful and democratic process, to associate in permanent union with the United States either as a commonwealth or as a state or to become an independent nation. We are also committed to respecting the cultural heritage of the people of Puerto Rico and to the elimination of the discriminatory or unfair treatment of Puerto Ricans as U.S. citizens under federal programs.

A Fair and Humane Immigration Policy—Our nation's outdated immigration laws require comprehensive reform that reflects our national interests and our immigrant heritage. Our first priority must be to protect the fundamental human rights of American citizens and aliens. We will oppose any "reforms" that violate these rights or that will create new incentives for discrimination against Hispanic Americans and other minorities arising from the discriminatory use of employer sanctions. Specifically, we oppose employer sanctions designed to penalize employers who hire undocumented workers. Such sanctions inevitably will increase discrimination against minority Americans. We oppose identification procedures that threaten civil liberties, as well as any changes that subvert the basic principle of family unification. And we will put an end to this Administration's policies of barring foreign visitors from our country for political or ideological reasons. We strongly oppose "bracero" or guest-worker programs as a form of legalized exploitation. We firmly support a one-tiered legalization program with a 1982 cut-off date.

The Democratic Party will implement a balanced, fair, and non-discriminatory immigration and refugee policy consistent with the principle of affording all applications for admission equal protection under the law. It will work for improved performance by the Immigration and Naturalization Service in adjudicating petitions for permanent residence and naturalization. The Party will also advocate reform within the INS to improve the enforcement operations of the Service consistent with civil liberties protection. The correction of past and present bias in the allocation of slots for refugee admissions will be a top priority. Additionally, it will work to ensure that the Refugee Act of 1980, which prohibits discrimination on the basis of ideology and race in adjudicating asylum claims, in complied with. The Party will provide the necessary oversight of the Department of State and the Immigration and Naturalization Service so as to ensure that the unjustifiable treatment visited upon the Haitian refugees will never again be repeated.

The Democratic Party will formulate foreign policies which alleviate, not aggravate, the root causes of poverty, war, and human rights violations and instability which compel people to flee their homelands.

We support the creation of an international body on immigration to address the economic development problems affecting Mexico and Latin American countries which contribute to unauthorized immigration to the U.S. and to respond to the backlog of approved immigrant visas.

To pursue these and other goals, the Democratic Party nominee upon election shall establish the following national advisory committees to the President and the national Democratic Party; civil rights and justice; fair housing; affirmative action; equal rights for women; rights for workers; immigration policy; and voting rights. These committees shall be representative on the basis of geography, race, sex, and ethnicity.

Dignity for All—As Democrats, we take pride in our accomplishments of the past decades in enacting legislation to assure equality and in fighting the current efforts of this Administration to turn its back on equal opportunity. But we also recognize that so long as any Americans are subject to unfair discrimination, our agenda remains unfinished. We pledge to complete the agenda, and to afford dignity for all.

We reaffirm the dignity of all people and the right of each individual to have equal access to and participation in the institutions and services of our society. To ensure that government is accessible to those Americans for whom English is a second language, we call for federal hiring and training initiatives to increase the number of government employees skilled in more than one language. All groups must be protected from discrimination based on race, color, sex, religion, national origin, language, age, or sexual orientation. We will support legislation to prohibit discrimination in the workplace based on sexual orientation. We will assure that sexual orientation *per se* does not serve as a bar to participation in the military. We will support an enhanced effort to learn the cause and cure of AIDS, and to provide treatment for people with AIDS. And we will ensure that foreign citizens are not excluded from this country on the basis of their sexual orientation.

We have long failed to treat the original inhabitants of this land with the dignity they deserve. A Democratic Administration will work in partnership with Indian nations to target assistance to address the twin problems of unemployment and poverty, recognizing appropriate Native American rights to self-determination and the federal government's fiduciary responsibility to the Native American nations. We will take the lead in efforts to resolve water and other natural resource claims of Native Americans. We must also reevaluate the mission of the Bureau of Indian Affairs in light of its troubled record.

We owe history and ourselves a formal apology and a promise of redress to Japanese Americans who suffered unjust internment during World War II. No commitment to civil liberties could be complete without a formal apology, restitution of position, status or entitlements, and reparations to those who suffered deprivation of rights and property without due process forty years ago.

The Democratic Party strongly condemns the Ku Klux Klan, the American Nazi Party, and other hate groups. We pledge vigorous federal prosecution of actions by the Klan and American Nazi Party that violate federal law, including the enactment of such laws in jurisdictions where they do not exist. We further condemn those acts, symbols, and rituals, including cross-burnings, associated with anti-civil rights activities. We urge every state and local government to pursue vigorous prosecution of actions by the Klan and Nazi Party and other such groups that violate state or local law.

Americans Abroad—Americans abroad play a vital role in promoting the ideals culture, and economic well-being of the United States. They are entitled to equitable treatment by their government and greater participation in decisions which directly affect them.

The Democratic Party will work to remedy the unique problems that U.S. citizens encounter abroad. In particular, we will consider ways to: protect their rights; eliminate citizenship inequities; make it easier for them to vote; have their interests actively represented in the federal government; provide them with fair coverage in federal social programs; honor the principles of residency in taxation; and ensure the adequate education of federal dependents abroad.

Insular Areas—The territories are in spirit full partners in the American political family; they should always be so treated. Their unique circumstances require the sensitive application of federal policy and special assistance. Their self-determination, along with that of the Trust Territory of the Pacific Islands, is an American commitment.

Democrats will work with the territories to improve their relationship with the rest of the United States and obtain equal rights for their citizens, including the right to vote for President. A Democratic President and Congress will coordinate their interests as foreign and domestic policy is made. We are committed to providing territorial America with essential assistance and equitable participation in federal programs. We will promote the growth and ensure the competitive position of territorial private sectors. It is Democratic policy that, together with the territories, the United States should strive to assist and develop closer relations with the territories' neighbors in the Caribbean and Pacific regions.

Economic Justice: Keeping Our Commitments

For some, the goal of independence requires greater support and assistance from government. We pledge to provide that support. Justice demands that we keep our commitments and display our compassion to those who most need our help—to veterans and seniors, to disadvantaged minorities, to the disabled and the poor—and we will.

A Healthy America—As Democrats we believe that quality health care is a necessity for everyone. We reaffirm our commitment to the long-term goal of comprehensive national health insurance and view effective health care cost containment as an essential step toward that goal. Health cost contain-

ment must be based on a strong commitment to quality of service delivery and care. We also pledge to return to a proper emphasis on basic scientific research and meeting the need for health professionals—areas devasted by the Reagan Administration.

Sickle Cell Anemia—Sickle Cell disease is a catastrophic illness that effects thousands of persons annually. Its victims include, but are not limited to, blacks, Hispanics, and persons of Mediterranean ancestry including Turks, Greeks, and Italians. Its morbidity rate is particularly high among infants, women and children.

Despite the compelling need for a national policy of sickle cell disease prevention and control, the present Administration has dramatically reduced the federal commitment to research and funding. The Democratic Party, on the other hand, pledges to make sickle cell a national health priority because we believe that only the federal government can adequately focus the necessary resources to combat such a major public health problem. Specifically, we pledge that a Democratic Administration will restore the National Sickle Cell Anemia Control Act to provide health parity to those individuals and families whose lives are threatened by this chronic and debilitating disorder.

Opportunities for the Elderly—There are more than 26 million Americans over the age of 65, and their numbers are growing rapidly. Most have spent a lifetime building America and raising the next generation, and when they choose to retire—and it should be their choice—they deserve to retire wih dignity and security. Yet for millions of Americans, particularly women, minorities, and ethnic Americans, old age means poverty, insecurity, and desperation.

Beginning with President Franklin D. Roosevelt, the Democratic Party has been dedicated to the well-being of the senior citizens of America. President Roosevelt gave to the elderly Social Security. The following Democratic Administrations provided the elderly with Medicare, the Older Americans Act, the nutrition program, low-cost housing, elderly employment programs and many others to make lives longer, healthier and happier for senior citizens, those who have done so much to make America the great nation it is today. This Reagan Republican Administration is the first administration to stop the progress of aid to the elderly and to cut back on every helpful program which Democratic Administrations had enacted for our elders.

Now we have a crisis facing the country with respect to Medicare. Funds will be short in four years. Again, the Reagan Republican Administration, speaking recently through the Social Security Advisory Council, proposed that the way to meet this financial crisis was to make the people already paying into Medicare pay more and to cut benefits by raising the age of eligibility from 65 to 67.

Too many elderly people covered by Medicare are not able to pay the deductible now required by Medicare. We Democrats will never add more to the burdens of the people now covered by Medicare. Nor will we Democrats allow benefits to be cut under Medicare by raising the age of eligibility, for we know that Medicare, which Democratic leadership established in 1964, is the only chance that millions of senior citizens have to get the health care they need.

To date, the needs of America's ethnic elderly have not been met. Ethnic American elderly number over seven million persons, or approximatley one quarter of the total population of people over 65. A close examination of data from the U.S. Census reveals that nearly one-half of this ethnic population who are 65 years of age or older do not speak English. To assure the well-being of ethnic seniors who comprise a large segment of our elderly population, we should promote programs to strengthen family life, care for the elderly, and spur neighborhood revitalization and development of "language barrier-free" social and health services.

We also know that the number of senior citizens as a percentage of the population is rapidly growing. The Democratic Party is committed to the principle of forbidding any discrimination on account of age against the elderly, either in holding a job or obtaining one. We offer to the elderly an opportunity for additional training or retraining that will enable them to do better at the jobs they have or to turn to other jobs which they would like better.

In short, the Democratic Party, which for so long has been the champion of the elderly, assures the senior citizens of America that it will maintain its longstanding good faith with them. Whatever is right and good for the senior citizen shall always be close to the heart of the Democratic Party and ever a primary dedication of our Party.

It is the cherished aim and high purpose of the Democratic Party to make the last part of the long journey of life for our senior citizens as long, as healthy, and as happy as may be.

As Democrats, we are proud of the programs we have created—Social Security and Medicare—to allow our senior citizens to live their lives independently and with dignity, and we will fight to preserve and protect those programs. We will work for decent housing and adequate nutrition for our senior citizens, and we will enforce the laws prohibiting age discrimination. We will not break faith with those who built America.

The Social Security Administration long had a reputation for administrative efficiency and high quality public service. Problems which have emerged under the current Administration—the financing crises, a deteriorating computer system, and arbitrary terminations of benefits to hundreds of thousands of disabled Americans—threaten the agency's ability to carry out its mission. The current Administration's policies have shaken people's confidence in the entire Social Security system.

The policies and operations of the Social Security Administration must be carefully and fully investigated to reform its operations so that the elderly and disabled receive the services and treatment to which they are entitled. In particular, we should explore the recommendation that the Social Security Administration become an independent agency.

Opportunities for Disabled Americans—There are nearly 36 million people with disabilities in the United States, who look to our government for justice. As Democrats, we have long recognized that a disability need not be an obstacle to a productive, independent life and we have fought to guarantee access to facilities, and adequate training and support to meet the special needs of the disabled. This Administration has closed its eyes to those needs, and in so doing, violated a fundamental trust by seeking to condemn millions of disabled Americans to dependency. We will honor our commitments. We will insist that those who receive federal funds accommodate disabled employees—a requirement this Administration sought to eliminate. We will insist that benefits be available for those who cannot work, and that training is available for those who need help to find work.

The Democratic Party will safeguard the rights of the elderly and disabled to remain free from institutionalization except where medically indicated. The rights of the disabled within institutions should be protected from violations of the integrity of their person. Also, we will promote accessible public transportation, buildings, make voting booths accessible, and strictly enforce laws such as the entire Rehabilitation Act of 1973.

Opportunities for Veterans—This country has a proud tradition of honoring and supporting those who have defended us. Millions of Americans in the years after World War II went to college and bought their homes thanks to GI benefits. But for the latest generation of American veterans, needed support and assistance have been missing.

The nation has begun to welcome home with pride its Vietnam veterans, as reflected in the extraordinary Vietnam Veterans Memorial which was built through public contributions. The Democratic Party shares the nation's commitment to Vietnam veterans.

No President since the beginning of the Vietnam War has been so persistently hostile to Vietnam veterans programs as Ronald Reagan. He has sought to dismantle the Readjustment Counseling Centers, opposed employment and Agent Orange benefits, as well as basic due process at the Veterans' Administration, including judicial review.

The Vietnam War divided our nation. Many of the rifts remain, but all agree on the respect due Vietnam veterans for their distinguished service during a troubled time. The Democratic Party pledges to reverse Ronald Reagan's Vietnam veteran policies, helping our nation come together as one people. And we believe it is especially important that we end discrimination against women and minority veterans, particularly in health and education programs.

We believe that the government has a special obligation to all of this nation's veterans, and we are committed to fulfilling it—to providing the highest quality health care, improving education and training, providing the assistance they need to live independent and productive lives.

Opportunities for the Poor—For the past four years, this Administration has callously pursued policies which have further impoverished those at the bottom of the economic ladder and pushed millions of Americans, particularly women and children, below the poverty line. Thanks to the Reagan budget cuts, many of the programs upon which the poor rely have been gutted—from education to housing to child nutrition. Far from encouraging independence, the Administration has penalized those seeking to escape poverty through work, by conditioning assistance on nonparticipation in the workplace. The figures tell part of the story:

Today, 15 percent of all Americans live below the poverty line;

Over three million more children are in poverty today than there were in 1979;

Over half of all black children under age three live in poverty;

More than one-third of all female-headed households are below the poverty line, and for non-white families headed by women with more than one child, the figure is 70 percent.

But the numbers tell only part of the story; numbers do not convey the frustra-

tion and suffering of women seeking a future for themselves and their children, with no support from anyone; numbers do not recount the pain of growing numbers of homeless men and women with no place to sleep, or of increasing infant mortality rates among children born to poor mothers. Numbers do not convey the human effects of unemployment on a once stable and strong family.

As Democrats, we call upon the American people to join with us in a renewed commitment to combat the feminization of poverty in our nation so that every American can be a productive, contributing member of our society. In that effort, our goal is to strengthen families and to reverse the existing incentives for their destruction. We therefore oppose laws requiring an unemployed parent to leave the family or drop out of the work force in order to qualify for assistance and health care. We recognize the special need to increase the labor force participation of minority males, and we are committed to expanding their opportunities through education and training and to enforcing the laws which guarantee them equal opportunities. The plight of young mothers must be separately addressed as well; they too need education and training, and quality child care must be available if they are to participate in such programs. Only through a nation that cares and a government that acts can those Americans trapped in poverty move toward meaningful independence.

The Hungry and the Homeless—In the late 1960's the nation discovered widespread hunger and malnutrition in America, especially among poor children and the elderly. The country responded with a national effort, of which Americans should be justly proud. By the late 1970's, medical researchers found that hunger had nearly been eliminated.

Since 1980, however, hunger has returned. High unemployment, coupled with deep cutbacks in food assistance and other basic support programs for poor families have led to conditions not seen in this country for years. Studies in hospitals and health departments document increases in numbers of malnourished children. Increasing numbers of homeless wander our cities' streets in search of food and shelter. Religious organizations, charities and other agencies report record numbers of persons standing in line for food at soup kitchens and emergency food pantries.

Strong action is needed to address this issue and to end the resurgence of hunger in America. The Democratic Party is committed to reversing regressive Reagan policies and to providing more adequate food aid for poor families, infants, children, elderly and handicapped persons. It is time to resume the national effort, jettisoned in 1980, to ensure that less fortunate Americans do not go without adequate food because they are too poor to secure a decent diet. As Democrats, we call upon the American people to join with us in a renewed commitment to fight hunger and homelessness so that every American can be a productive, contributing member of our society.

Hunger is an international problem as well. In many countries it threatens peace and stability. The United States should take the lead in working with out allies and other countries to help wipe hunger from the face of the earth.

A Democratic President will ensure that the needs of the world's children are given priority in all U.S. foreign assistance programs and that international assistance programs are geared toward increasing self-reliance of local populations and self-sufficiency in food production.

Integrity in Government

As Democrats, we believe that the American people are entitled to a government that is honest, that is open, and that is fully representative of this nation and its people, and we are committed to providing it.

After four years in which the roll of dishonor in the Administration has grown weekly and monthly—from Richard Allen to Rita Lavelle, from Thomas Reed to James Watt—it is time for an end to the embarrassment of Republican cronyism and malfeasance. Our appointments will be ones of which Americans can be proud. Our selection process in staffing the government will be severe. We will not tolerate impropriety in a Democratic Administration.

We must work to end political action committee funding of federal political campaigns. To achieve that, we must enact a system of public financing of federal campaigns. At the same time, our Party should assure that a system of public financing be responsive to the problem of underrepresentation of women and minorities in elective offices.

We Democrats are not afraid to govern in public and to let the American people know and understand the basis for our decisions. We will reverse current Administration policies that permit the widespread overclassification of documents lacking a relationship to our national security. We will rescind Reagan Administration directives imposing undue burdens on citizens seeking information about their government through the Freedom of Information Act.

We will insist that the government, in its relations with its own employees, set a standard of fairness which is a model for the private sector. We believe, moreover, that an Administration that cannot run its own house fairly cannot serve the American people fairly. We will ensure that government's number one priority is the performance of its mission under the law, and not the implementation of the narrow political agenda of a single Party. Sound management and fair government cannot be administered by a politicized work force. Neither can it be accomplished by a demoralized work force. A Democratic Administration will not devalue the pay, benefits, and retirement rights of federal workers guaranteed under the law. We will work to reverse personnel policies, including the contracting out of work traditionally performed by public employees, that have made it impossible for current federal employees to recommend a career in federal service to our nation's young people.

Our judicial system must be one in which excellence and access are the foundations. It is essential to recruit people of high integrity, outstanding competence, and high quality of judgment to serve in our nation's judiciary. And we oppose efforts to strip the federal courts of their historic jurisdiction to adjudicate cases involving questions of federal law and constitutional rights.

Crime

No problem has worried Americans more persistently over the past 20 years than the problem of crime. Crime and the fear of crime affect us all, but the impact is greatest on poor Americans who live in our cities. Neither a permissive liberalism nor a static conservatism is the answer to reducing crime. While we must eliminate those elements—like unemployment and poverty—that foster the criminal atmosphere, we must never let them be used as an excuse.

Although the primary responsibility for law enforcement rests at the local level, Democrats believe the federal government can play an important role by encouraging local innovation and the implementation of new crime control methods as their effectiveness is shown. And when crime spills across state borders, the federal government must take the lead, and assume responsibility for enforcing the law. This Administration has done neither. It has talked "law and order" while cutting law enforcement budgets. It has decried the influence of drugs, while cutting back on customs enforcement.

As a result, drug trafficking and abuse have risen to crisis proportions in the United States. In 1983, an estimated 60 tons of cocaine, 15,000 tons of marijuana, and 10 tons of heroin entered the United States, clear evidence that we are losing the effort overseas to control the production and transshipment of these and other dangerous drugs. Domestically, the illicit trafficking in drugs is a $100 billion per year business; the economic and social costs to our society are far higher.

Today, in our country, there are 25 million regular abusers of marijuana, close to 12 million abusers of cocaine, and half a million heroin addicts. Since 1979, hospital emergency room incidents—including deaths—related to cocaine have soared 300 percent; incidents related to heroin have climbed 80 percent. According to the 1983 National High School Survey on Drug Abuse, 63 percent of high school seniors have tried an illicit drug, and 40 percent have tried a drug other than marijuana. Alcohol abuse is also a serious problem which must be faced.

For this reason, the Democratic Party believes it is essential to make narcotics control a high priority on the national agenda, and a major consideration in our dealings with producer and transshipment countries, particularly if they are recipients of U.S. assistance.

At the national level, the effort must begin by introducing a comprehensive management plan to eliminate overlap and friction between the 113 different federal agencies with responsibilities for fighting crime, particularly with respect to the control of drug traffic. We must provide the necessary resources to federal agencies and departments with responsibility for the fight against drugs.

To spur local law enforcement efforts, establishment of an independent criminal justice corporation should be considered. This corporation could serve as a means of encouraging community-based efforts, such as neighborhood citizen watches, alternative deployment patterns for police, and community service sentencing programs, which have proven effectiveness.

Violent acts of bigotry, hatred and extremism aimed at women, racial, ethnic and religious minorities, and gay men and lesbians have become an alarmingly common phenomenon. A Democratic Administration will work vigorously to address, document, and end all such violence.

We believe that victims of crime deserve a workable program of compensation. We call for sentencing reforms that routinely include monetary or other forms of restitution to victims. The federal government should ensure that victims of violent federal crime receive compensation. We need to es-

tablish a federal victim compensation fund, to be financed, in part, by fines and the proceeds from the sale of goods forfeited to the government.

We support tough restraints on the manufacture, transportation, and sale of snub-nosed handguns, which have no legitimate sporting use and are used in a high proportion of violent crimes.

We will establish a strong federal-state partnership to push for further progress in the nationwide expansion of comprehensive, community-based anti-drunk driving programs. With the support of citizens, private-sector business and government at all levels; we will institutionalize fatality and injury reduction on the nation's highways.

We support fundamental reform of the sentencing process so that offenders who commit similar crimes receive similar penalties. Reform should begin with the establishment of appropriately drafted sentencing guidelines, and judges deviating from such guidelines should be required to provide written reasons for doing so.

Finally, we believe that the credibility of our criminal courts must be restored. Our courts should not be attacked for failing to eliminate the major social problem of crime—courts of justice were not designed, and were never intended, to do that. A Democratic Administration will encourage experimentation with alternative dispute-resolution mechanisms, diversion programs for first and nonviolent offenders, and other devices to eliminate the congestion in our courts and restore to them an atmosphere in which they can perform their intended job: doing real individualized justice, in an orderly way.

CHAPTER III.—PEACE, SECURITY, AND FREEDOM

Introduction

Building a safer future for our nation and the world: that is the Democratic agenda for our national security. Every responsibility before our nation, every task that we set, pales beside the most important challenge we face—providing new leadership that enhances our security, promotes our values, and works for peace.

The next American President will preside over a period of historic change in the international system. The relatively stable world order that has prevailed since World War II is bursting at the seams from the powerful forces of change—the proliferation of nuclear and conventional weapons, the relentless Soviet military buildup, the achievement of rough nuclear parity between the Soviet Union and the United States, the increasingly interdependent nature of the international economic order, the recovery and rise of European and Asian powers since the devastation of the Second World War, and the search for a new American political consensus in the wake of Vietnam and Lebanon and in the shadow of a regional crisis in Central America.

The greatest foreign policy imperative of the Democratic Party and of the next President is to learn from past mistakes and adapt to these changes, rather than to resist or ignore them. While not underestimating the Soviet threat, we can no longer afford simplistically to blame all of our troubles on a single "focus of evil," for the sources of international change run even deeper than the sources of superpower competition. We must see change as an opportunity as well as a challenge. In the 1980's and beyond, America must not only make the world safe for diversity; we must learn to thrive on diversity.

The Democratic Party believes that it is time to harness the full range of America's capacity to meet the challenges of a changing world. We reject the notion that America is beset by forces beyond its control. Our commitment to freedom and democracy, our willingness to listen to contrasting viewpoints, and our ingenuity at devising new ideas and arrangements have given us advantages in an increasingly diverse world that no totalitarian system can match.

The Democratic Party has a constructive and confident vision of America's ability to use all of our economic, political, and military resources to pursue our wide-ranging security and economic interests in a diverse and changing world. We believe in a responsible defense policy that will increase our national security. We believe in a foreign policy that respects our allies, builds democracy, and advances the cause of human rights. We believe that our economic future lies in our ability to rise to the challenge of international economic competition by making our own industries more competitive. Above all, we believe that our security requires the direct, personal involvement of the President of the United States to limit the Soviet military threat and to reduce the danger of nuclear war.

We have no illusions about the forces arrayed against the democratic cause in our time. In the year made famous by George Orwell, we can see the realization of many of his grimmest prophecies in the totalitarian Soviet state, which has amassed an arsenal of weapons far beyond its defensive needs. In the communist and non-communist world, we find tyrannical regimes that trample on human rights and repress their people's cry for economic justice.

The Reagan Administration points to Soviet repression—but has no answer other than to escalate the arms race. It downgrades repression in the noncommunist world, by drawing useless distinctions between "totalitarian" and "authoritarian" regimes.

The Democratic Party understands the challenge posed by the enemies of democracy. Unlike the Reagan Administration, however, we are prepared to work constructively to reduce tensions and make genuine progress toward a safer world.

The Democratic Party is confident that American ideals and American interests reinforce each other in our foreign policy: the promotion of democracy and human rights not only distinguishes us from our adversaries, but it also builds the long-term stability that comes when governments respect their people. We look forward to the 21st century as a century of democratic solidarity where security, freedom, and peace will flourish.

Peace, freedom and security are the essence of America's dream. They are the future of our children and their children.

This is the test where failure could provide no opportunity to try once more. As President Kennedy once warned: "We have the power to make this the best generation of mankind in the history of the world—or to make it the last."

The Future If Reagan Is Reelected

"Star Wars is not the path towards a less dangerous world. A direct and safe road exists: equitable and verifiable deep cuts in strategic offensive forces. We must abandon the illusion that ever more sophisticated technology can remove the perils that science and technology have created."—Statement by Dr. Jerome B. Wiesner, Dr. Carl Sagan, Dr. Henry Kendall, and Admiral Noel Gayler (Democratic Platform Committee Hearing, Washington, D.C., June 12, 1984).

"The minister of the apartheid government recently boasted of the fruitful relationship between Pretoria and Washington since the advent of the Reagan regime. Now apartheid South Africa has acquired the military muscle to bomb, to maim, to kill men, women, and children, and to bully these states into negotiating with apartheid through the threat of increased military action. This may be hailed as a victory for apartheid and for the Reagan Administration, but in truth it can only create anger and comtempt in the African people."—Professor Dennis Brutus, Northwestern University (former political prisoner in South Africa) (Democratic Platform Committee Hearing, New York, New York, April 9, 1984).

Suppose Mr. Reagan is reelected. How would he deal with the serious threats that face us and our children?

Under Mr. Reagan, the nuclear arms would continue to spiral out of control. A new generation of destabilizing will imperil all humanity. We will live in a world where the nuclear arms race has spread from earth into space.

Under Mr. Reagan, we would continue to overemphasize destabilizing and redundant nuclear weapons programs at the expense of our conventional forces. We will spend billions for weapons that do not work. We will continue to ignore proposals to improve defense management, to get a dollar's worth for each dollar spent, and to make our military more combat-effective and our weapons most cost-effective.

Under Mr. Reagan, regional conflicts would continue to be dangerously mismanaged. Young Americans may be sent to fight and die needlessly. The spread of nuclear materials to new nations and the spread of sophisticated conventional weapons to virtually every nation on earth will continue unabated.

Can America afford a President so out of touch with reality that he tells us, "I think the world is safer and further removed from a possible war than it was several years ago"?

Can America afford the recklessness of a President who exposed American Marines to mortal danger and sacrificed over 260 of them in a bungled mission in Lebanon against the advice of the Joint Chiefs of Staff, and brought upon us the worst U.S. military disaster since the Vietnam War?

Can America afford the irresponsibility of a President who undermines confidence in our deterrent with misleading allegations of Soviet nuclear "superiority" and whose Administration beguiles the American public with false claims that nuclear war can be survived with enough shovels?

Can America afford the unresponsiveness of a President who thwarts the will of the majority of Americans by waging a secret war against Nicaragua?

In a second Reagan term, will our heavens become a nuclear battleground?

In 1980, candidate Ronald Reagan promised the American people a more secure world. Yet, as President:

He has raced to deploy new weapons that will be destabilizing and difficult to verify. He has pressed for a multi-billion dollar chemical weapons program. He has launched his trillion dollar "Star Wars" arms race in space.

He has relaxed controls on nuclear proliferation, thus enhancing the risk that nuclear weapons will be acquired and used by un-

stable governments and international terrorists.

He has become the first President since the Cold War to preside over the complete collapse of all nuclear arms negotiations with the Soviets.

He has rejected SALT II, threatened the ABM Treaty, and abandoned the goal of a complete ban on nuclear weapons tests that has been pursued by every President since Eisenhower. He has refused to seek negotiations to limit anti-satellite weapons that could threaten our vital early-warning and military satellites. Over 250 strategic missiles and bombers that would have been eliminated under SALT II are still in Soviet hands.

Can we afford four more years of a Pentagon spending binge?

In 1980, candidate Ronald Reagan and the Republican Party promised the American people a defense spending increase "to be applied judiciously to critically needed programs." Yet, as President:

He has initiated the largest peacetime defense build-up in our history with no coherent plan for integrating the increased programs into an effective military posture.

He has slighted training and readiness of our conventional forces in favor of big ticket nuclear items, "preparing," in the words of General Maxwell Taylor, "for the least possible threats to the neglect of the most probable."

He has brought us the worst-managed and most wasteful Defense Department in history. Under the Pentagon's wasteful purchasing system, the American taxpayer has paid $435 for a $17 claw hammer, $1100 for a 22-cent plastic steel cap, over $2000 for a 13-cent plain round nut, and $9600 for a 12-cent Allen wrench.

Can we afford four more years of dangerous foreign policy failures?

In 1980, candidate Ronald Reagan and the Republican Party promised "to put America on a sound, secure footing in the international arena," yet, as President:

He has contributed to the decline of U.S.-Soviet relations to a perilous point. Instead of challenges, he has used easy and abusive anti-Soviet rhetoric as a substitute for strength, progress, and careful use of power.

He has strained vital U.S. alliances through his bungled efforts to stop the Soviet natural gas pipeline, his inflammatory nuclear rhetoric and policies, and his failure to support the efforts of our democratic allies to achieve a negotiated political solution in Central America.

He has had as many Middle East policies as he has had staff turnovers. First, he offered strategic cooperation to Israel as if it were a gift. Then he took it away to punish Israel as if it were not our ally. Then he pressured Israel to make one-sided concessions to Jordan. Then he demanded that Israel withdraw from Lebanon. Then he pleaded with them to stay. Then he did not accept their offer of medical help for our wounded Marines. He undercut American credibility throughout the Middle East by declaring Lebanon a vital interest of the United States and then withdrawing.

He has failed to understand the importance for the United States of a solid relationship with the African continent—not only from the perspective of human decency, but also from enlightened concern for our own self-interest. By his lack of sensitivity and foresight, he has ignored the fate of millions of people who need our help in developing their economies and in dealing with the ravages of drought, and he has jeopardized our relations with countries that are important to U.S. security and well-being.

He has brought us a strategy in Central America and the Caribbean that has failed. Since he took office, the region has become much more unstable; the hemisphere is much more hostile to us; and the poverty is much deeper. Today in El Salvador, after more than a billion dollars in American aid, the guerillas are stronger than they were three years ago, and the people are much poorer. In Nicaragua, our support for the *contras* and for the convert war has strengthened the totalitarians at the expense of the moderates. In Honduras, an emerging democracy has been transformed into a staging ground for possible regional war. And in Costa Rica our backing for rebels based there is in danger of dragging that peaceful democracy into a military confrontation with Nicaragua. In Grenada, Mr. Reagan renounced diplomacy for over two years, encouraging extremism, instability, and crisis. By his failure to avoid military intevention, he divided us from our European allies and alienated our friends throughout the Western hemisphere. And by excluding the press, he set a chilling precedent, greatly hampering public scrutiny of his policies. After three and one-half years of Mr. Reagan's tunnel vision, extremism is stronger, our democratic friends are weaker, and we are further than ever from achieving peace and security in the region.

He is the first President to fail to support publicly the ratification of the Genocide Convention. His Vice President has praised the Philippine dictator for his "love of democracy," his first Secretary of State announced that human rights would be replaced as a foreign policy priority, and his first nominee for Assistant Secretary of State for Human Rights was rejected by the U.S. Senate as unfit for that post. He has closely idenitifed the United States with the apartheid regime in South Africa, and he has time and again failed to confront dictators around the globe.

This is an unprecedented record of failure. But President Reagan is content to make excuses for failure.

President Reagan blames Congress and the Democratic Party. He rebukes Americans deeply and genuinely concerned about the threat of nuclear war. He rails at the Soviet Union—as if words alone, without strategy or effective policy, will make that nation change its course.

It is time for Democrats and Americans to apply a tough standard to Ronald Reagan. Let us paraphrase the question he asked in 1980: Are we safer today than we were three and a half years ago? Are we further from nuclear war? After more than a thousand days of Mr. Reagan, is the world anywhere less tense, anywhere closer to peace?

Americans throughout this land are answering with a resounding no.

President Reagan himself is responsible—responsible for four years of a failed foreign policy. America elects its President to lead. It does not elect its President to make excuses.

The Democratic Party believes that it is time to harness the full power of America's spirit and capacity to meet the challenges of a changing world.

The Democratic Party has a different and positive vision of America's future. What is at stake may be freedom and survival itself.

The Democratic Alternative: A Safer Future for Our Nation and the World

"I do not see why we think of Democracy as so weak and so vulnerable. Let us for heaven's sake have some confidence in America and not tremble, fearing that our society will fall apart as the least rattle of the door. If I were constructing this platform, I would ask that its planks be carved out of self-confidence, and planned in belief in our own system."—Historian Barbara Tuchman (Democratic Platform Committee Hearing, New York, New York, April 9, 1984).

"The Democratic Party requires a foreign policy which approaches the problems that confront us primarily in their national and regional contexts, rather than viewing them, as the Reagan Administration does, almost exclusively as a manifestation of the "evil empire's" efforts to extend its sway over the entire globe. What we need is a foreign policy which promotes the cause of human rights by opposing tyranny on the part of left as well as right wing governments, rather than a foreign policy, like the one we have now, which supports virtually every reactionary and repressive regime that professes to be anti-communist."—Honorable Stephen J. Solarz, U.S. Representative, New York (Democratic Platform Committee Hearing, New York, New York, April 9, 1984).

There is no higher goal for the Democratic Party than assuring the national security of the United States. This means a strong national defense, vigorous pursuit of nuclear arms control, and a foreign policy dedicated to advancing the interests of America and the forces of freedom and democracy in a period of global transformation. This will require new leadership, strong alliances, skillful diplomacy, effective economic cooperation, and a foreign policy sustained by American strength and ideals. And to hold the support of the American people, our leaders must also be careful and measured in the use of force.

The Democratic Party is committed to a strong national defense. Democrats know that a relentless Soviet military build-up—well beyond its defensive needs—directly challenges world security, our democratic values, and our free institutions. On the nature of the Soviet threat and on the essential issue of our nation's security, Americans do not divide. On the common interest in human survival, the American and Soviet peoples do not divide.

Maintaining strong and effective military forces is essential to keeping the peace and safeguarding freedom. Our allies and adversaries must never doubt our military power or our will to defend our vital interests. To that end, we pledge a strong defense built in concert with our allies, based on a coherent strategy, and supported by a sound economy.

In an age of about 50,000 nuclear weapons, however, nuclear arms control and reductions are also essential to our security. The most solemn responsibility of a President is to do all that he or she can to prevent a single nuclear weapon from ever being used. Democrats believe that mutual and verifiable controls on nuclear arms can, and must be, a serious integral part of national defense. True national security requires urgent measures to freeze and reverse the arms race, not the pursuit of the phantom of nuclear superiority or futile Star Wars schemes.

The Democratic Party believes that the purpose of nuclear weapons is to deter war, not to fight it. Democrats believe that America has the strength and tenacity to negotiate nuclear arms agreements that will reduce the risk of nuclear war and preserve our military security.

Today we stand at one of the most critical junctures in the arms race since the explosion of the first atomic bomb. Mr. Reagan wants to open the heavens for warfare.

His Star Wars proposal would create a vulnerable and provocative "shield" that would lull our nation into a false sense of security. It would lead our allies to believe that we are retreating from their defense. It would lead to the death of the ABM Treaty—the most successful arms control treaty in history—and this trillion-dollar program would provoke a dangerous offensive and defensive arms race.

If we and our allies could defend our populations effectively against a nuclear war, the Democratic Party would be the first to endorse such a scheme. Unfortunately, our best scientists agree that an effective population defense is probably impossible. Therefore, we must oppose an arms race where the sky is no longer the limit.

Arms Control and Disarmament

Ronald Reagan is the first American President in over twenty years who has not reached any significant arms control agreements with the Soviet Union, and he is the first in over fifty years who has not met face to face with Soviet leaders. The unjustified Soviet walkout from key nuclear talks does not excuse the arms control failures of the Administration.

To reopen the dialogue, a Democratic President will propose an early summit with regular, annual summits to follow with the Soviet leaders, and meetings between senior civilian and military officials, in order to reduce tensions and explore possible formal agreements. In a Democratic Administration, the superpowers will not communicate through megaphones.

A new Democratic Administration will implement a strategy for peace which makes arms control an integral part of our national security policy. We must move the world back from the brink of nuclear holocaust and set a new direction toward an enduring peace, in which lower levels of military spending will be possible. Our ultimate aim must be to abolish all nuclear weapons in a world safe for peace and freedom.

This strategy calls for immediate steps to stop the nuclear arms race, medium-term measures to reduce the dangers of war, and long-term goals to put the world on a new and peaceful course.

The first practical step is to take the initiative, on January 20, 1985, to challenge the Soviets to halt the arms race quickly. As President Kennedy successfully did in stopping nuclear explosions above ground in 1963, a Democratic President will initiate temporary, verifiable, and mutual moratoria, to be maintained for a fixed period during negotiations so long as the Soviets do the same, on the testing of underground nuclear weapons and anti-satellite weapons; on the testing and deployment of all weapons in space; on the testing and deployment of new strategic ballistic missiles now under development; and on the deployment of nuclear-armed, sea-launched cruise missiles.

These steps should lead promptly to the negotiation of a comprehensve, mutual and verifiable freeze on the testing, production, and deployment of all nuclear weapons.

Building on this initiative, the Democratic President will:

Update and resubmit the SALT II Treaty to the Senate for its advice and consent.

Pursue deep, stabilizing reductions in nuclear arsenals within the framework of SALT II, in the meantime observing the SALT II limits ourselves and insisting that the Soviets do likewise.

Propose the merging of the intermediate-range and strategic arms limitations negotiations, if the President judges that this could advance a comprehensive arms limitation agreement with the Soviet Union.

Immediately resubmit to the Senate for its advice and consent the 1974 Threshold Test Ban Treaty and the 1976 Peaceful Nuclear Explosions Treaty.

Conclude a verifiable and comprehensive Test Ban Treaty.

Reaffirm our commitment to the ABM Treaty, ensure U.S. compliance, and vigorously demand answers to questions about Soviet compliance through the Standing Consultative Commission and other appropriate channels.

Actively pursue a verifiable, anti-satellite weapons treaty and ban on weapons in space.

Seek a verifiable international ban on the production of nuclear weapons-grade fissile material, such as plutonium and highly enriched uranium.

Undertake all-out efforts to halt nuclear proliferation.

Terminate production of the MX missile and the B-1 bomber.

Prohibit the production of nerve gas and work for a verifiable treaty banning chemical weapons.

Establish U.S.-Soviet nuclear risk reduction centers and other improve communications for a crisis.

Invite the most eminent members of the scientific community to study and report on the worldwide human suffering and the long-term environmental damage which would follow in the days after a nuclear war, and take into account as fully as possible the results of such study in the formulation of our nuclear weapons and arms control policies.

Strengthen broad-based, long-term public support for arms control by working closely with leaders of grass-roots, civic, women's, labor, business, religious and professional groups, including physicians, scientists, lawyers, and educators.

Provide national leadership for economic adjustment for affected communities and industries, and retraining for any defense workers affected by the termination or cutbacks in weapons programs.

Initiate, in close consultation with our NATO allies, a strategy for peace in Europe including:

Achieving a balance of conventional forces in order to reduce reliance on nuclear weapons and to permit the Atlantic Alliance to move toward the adoption of a "no first use" policy;

Mutually pulling back battlefield nuclear weapons from the frontlines of Europe, in order to avoid the necessity of having to make a "use them or lose them" choice should hostilities erupt in Europe;

Negotiating new approaches to intermediate nuclear force limits along the lines of the "walk in the woods" proposal, and then seeking to move closer to zero INF deployments by the U.S. and U.S.S.R.;

Negotiating significant mutual and balanced reductions in conventional forces of both NATO and the Warsaw Pact, and confidence-building measures to reduce the dangers of a surprise attack.

We are under no illusion that these arms control proposals will be easy to achieve. Most will involve patience and dedication, and above all leadership in the pursuit of peace, freedom, and security. The Soviets are tough negotiators and too often seek to use arms control talks for their propaganda purposes. On this issue—preventing nuclear war—America must lead, and the Democratic Party intends to lead. Without our leadership the nations of the world will be tempted to abandon themselves, perhaps slowly at first, but then relentlessly to the quest for nuclear weapons, and our children will look back with envy upon today's already dangerous nuclear world as a time of relative safety.

Defense Policy

The Reagan Administration measures military might by dollars spent. The Democratic Party seeks prudent defense based on sound planning and a realistic assessment of threats. In the field of defense policy, the Democratic Administration will:

Work with our NATO and other allies to ensure our collective security, especially by strengthening our conventional defenses so as to reduce our need to rely on nuclear weapons, and to achieve this at increased spending levels, with funding to continue at levels appropriate to our collective security, with the firm hope that successful steps to reduce tensions and to obtain comprehensive and verifiable arms control agreements will guarantee our nation both military security and budgetary relief.

Cancel destabilizing or duplicative weapons systems, while proceeding in the absence of appropriate arms control agreements with necessary modernization of our strategic forces.

Scale back the construction of large, expensive and vulnerable nuclear carriers.

Modernize our conventional forces by balancing new equipment purchases with adequate resources spent on training, fuel, ammunition, maintenance, spare parts, and airlift and sealift to assure combat readiness and mobility, and by providing better equipment for our Reserves and National Guard.

Reorganize Pentagon management and strengthen the JCS system to reduce interservice rivalries, promote military leadership over bureaucratic skills, assure effective execution of policies and decisions, undertake better multi-year planning based upon realistic projections of available resources, and reduce conflicts of interest.

Ensure open and fair competitive bidding for procurement of necessary equipment and parts, and establish a system of effective, independent testing of weapons for combat conditions.

Implement a program of military reform. Our forces must be combat ready; our doctrines should emphasize out-thinking and out-maneuvering our adversaries; and our policies should improve military organization and unit cohesion.

Press our European allies to increase their contributions to NATO defense to levels of effort comparable to our own—an approach that the Administration undercut by abandoning the NATO-wide agreement concluded by its Democratic predecessor—and pursue improved trans-Atlantic economic cooperation and coordination of arms procurement.

Recognize that the heart of our military strength is people, Americans in uniform who will have the skills and the will to

maintain the peace. The men and women of our armed services deserve not only proper pay and benefits, but the nation's recognition, respect and gratitude as well.

Recognize the importance of the intelligence community and emphasize its mission as being dedicated to the timely collection and analysis of information and data. A Democratic Administration will also recognize the urgent need to de-politicize the intelligence community and to restore professional leadership to it.

Oppose a peacetime military draft or draft registration.

Oppose efforts to restrict the opportunities of women in the military based solely on gender. The Reagan Administration has used the combat designation as an arbitrary and inappropriate way to exclude women from work they can legitimately perform. Women nurses and technicians, for example, have long served with distinction on the front lines; women must not be excluded from jobs that they are trained and able to perform.

Seek ways to expand programs such as VISTA, the Young Adult Conservation Corps, and the Peace Corps.

These and other qualitative improvements will ensure effective American strength at affordable cost. With this strength, we will restore the confidence of our fellow citizens and our allies; we will be able to mount an effective conventional defense; and we will present our adversaries with a credible capability to deter war.

The Democratic Party is committed to reversing the policies of the Reagan Administration in the area of military and defense procurement. Public accounts reveal a four-year record of waste, fraud, conflicts of interest, and indications of wrongdoing. Administration officials have engaged in practices that have cost the taxpayers billions of dollars. Further, the Reagan Administration has ignored legal remedies to stop the abuses, recover the funds, and punish those responsible.

A Democratic President will demand full disclosure of all information, launch a thorough investigation, and seek recovery of any tax funds illegally spent. This will be a major step towards restoring integrity to defense procurements and reducing unnecessary expenditures in the defense budget.

Foreign Policy

The purpose of foreign policy is to attain a strong and secure United States and a world of peace, freedom and justice. On a planet threatened by dictatorships on the left and right, what is at stake may be freedom itself. On a planet shadowed by the threat of a nuclear holocaust, what is at stake may be nothing less than human survival.

A Democratic Administration will comprehend that the gravest political and security dangers in the developing world flow from conditions that open opportunities for the Soviet Union and its surrogates: poverty, repression and despair. Against adversaries such as these, military force is of limited value. Such weapons as economic assistance, economic and political reform, and support for democratic values by, among other steps, funding scholarships to study at U.S. colleges and universities, must be the leading elements of our presence and the primary instruments of American influence in the developing countries.

To this end, a Democratic President will strengthen our Foreign Service, end the present practice of appointing unqualified persons as Ambassadors, strengthen our programs of educational and cultural exchange, and draw upon the best minds in our country in the quest for peace.

A Democratic Administration will initiate and establish a Peace Academy. In the interests of balancing this nation's investment in the study of making war, the Peace Academy will study the disciplines and train experts in the arts of waging peace.

The Democratic Party is committed to ensuring strong representation of women and minorities in military and foreign policy decisionmaking positions in our government.

In addition, a Democratic President will understand that as Commander-in-Chief, he or she directs the forces of peace as well as those of war, and will restore an emphasis on skilled, sensitive, bilateral and multilateral diplomacy as a means to avert and resolve international conflict.

A Democratic President will recognize that the United States, with broad economic, political, and security interests in the world, has an unparalleled stake in the rule of international law. Under a Democratic Administration, there will be no call for clumsy attempts to escape the jurisdiction of the International Court of Justice, such as those put forth by the Reagan Administration in connection with its mining of the harbors of Nicaragua.

A Democratic President will reverse the automatic militarization of foreign policy and look to the causes of conflict to find out whether they are internal or external, whether they are political or primarily social and economic.

In the face of the Reagan Administration's cavalier approach to the use of military force around the world, the Democratic Party affirms its commitment to the selective, judicious use of American military power in consonance with Constitutional principles and reinforced by the War Powers Act.

A Democratic President will be prepared to apply military force when vital American interests are threatened, particularly in the event of an attack upon the United States or its immediate allies. But he or she will not hazard American lives or engage in unilateral military involvement:

Where our objectives are not clear;

Until all instruments of diplomacy and non-military leverage, as appropriate, have been exhausted;

Where our objectives threaten unacceptable costs or unreasonable levels of military force;

Where the local forces supported are not working to resolve the causes of conflict;

Where multilateral or allied options for the resolution of conflict are available.

Further, a Democratic Administration will take all reasonable domestic action to minimize U.S. vulnerability to international instability, such as reducing Western reliance on Persian Gulf oil and other strategic resources. To this end, a Democratic Administration will implement, with our allies, a multilateral strategy for reduction of allied dependence on critical resources from volatile regions of the world.

U.S. covert operations under a Democratic President will be strictly limited to cases where secrecy is essential to the success of an operation and where there is an unmistakable foreign policy rationale. Secrecy will not be used simply to hide from the American people policies they might be expected to oppose.

Finally, a Democratic President will recognize our democratic process as a source of strength and stability, rather than an unwelcome restraint on the control of foreign policy. He or she will respect the War Powers Resolution as a reflection of wise judgment that the sustained commitment of America's fighting forces must be made with the understanding and support of Congress and the American people. A Democratic President will understand that United States leadership among nations requires a proper respect for law and treaty obligations, and the rights of men and women everywhere.

Europe and the Atlantic Alliance—American leadership is not about standing up to our friends. It is about standing up with them, and for them. In order to have allies, we must act like one.

Maintaining a strong alliance is critically important. We remain absolutely committed to the defense of Europe, and we will work to ensure that our allies carry their fair share of the burden of the common defense. A Democratic Administration in turn will commit itself to increased consultation on security affairs. We must work to sustain and enhance Western unity.

We must persuade the next generation of Europeans that America will use its power responsibly in partnership with them. We Democrats affirm that Western security is indivisible. We have a vital interest in the security of our allies in Europe. And it must always remain clear that an attack upon them is the same as an attack upon us—by treaty and in reality.

A strong Western alliance requires frank discussions among friends about the issues that from time to time divide us. For example, we must enter into meaningful negotiations with the European Community to reduce their agricultural export subsidies which unfairly impair the competitiveness of American agricultural products in third-country markets.

A Democratic President will encourage our European friends to resolve their long-standing differences over Ireland and Cyprus.

The Democratic Party supports an active role by the United States in safeguarding human rights in Northern Ireland and achieving an enduring peaceful settlement of that conflict. We oppose the use of plastic bullets in Northern Ireland, and we urge all sides to reject the use of violence. The Democratic Party supports a ban on all commercial transactions by the U.S. government with firms in England and Ireland that practice, on an on-going basis, discrimination in Northern Ireland on the basis of race, religion, or sex. We affirm our strong commitment to Irish unity—achieved by consent and based on reconciliation of all the people of Ireland. The Democratic Party is greatly encouraged by the historic and hopeful Report of the New Ireland Forum which holds the promise of a real breakthrough. A Democratic President will promptly appoint a special envoy and urge the British as well as the political leaders in Northern Ireland to review the findings and proposals of the Forum with open hearts and open minds, and will appeal to them to join a new initiative for peace. The Congress and a Democratic President will stand ready to assist this process, and will help promote jobs and investments, on a non-discriminatory basis, that will represent a significant contribution to the cause of peace in Ireland.

In strong contrast to President Reagan's failure to apply effective diplomacy in Cyprus and the Eastern Mediterranean, a Democratic President will act with urgency

and determination to make a balanced policy in the area and a peaceful resolution of the Cyprus dispute a key foreign policy priority. A Democratic President will utilize all available U.S. foreign policy instruments and will play an active, instead of a passive, role in the efforts to secure implementation of U.N. Resolutions so as to achieve removal of Turkish troops, the return of refugees, reestablishment of the integrity of the Republic of Cyprus, and respect for all citizens' human rights on Cyprus.

United States-Soviet Relations—U.S. relations with the Soviet Union are a critical element of our security policy. All Americans recognize the threat to world peace posed by the Soviet Union. The U.S.S.R. is the only adversary with the capability of destroying the United States. Moreover, Americans are more generally concerned about the Soviet leadership's dangerous behavior internationally and the totalitarian nature of their regime. The Brezhnev Doctrine proclaims Soviet willingness to maintain communist regimes against the opposition of their own people. Thus, Soviet troops have invaded and today continue to wage war on the proud people of Afghanistan. In Poland, a military government, acting under Soviet pressure, has sought to crush the indomitable spirit of the Polish people and to destroy Solidarity, a free trade Union movement of ten million members and the first such movement in a communist country. In recent years, the Soviet Union and its allies have played a more aggressive role in countries around the world. At the same time, the Soviet military arsenal, nuclear and conventional, far exceeds that needed for its defense.

Yet we also recognize that the Soviets share a mutual interest in survival. They, too, have no defense against a nuclear war. Our security and their security can only be strengthened by negotiation and cooperation.

To shape a policy that is both firm and wise, we must first stand confident and never fear the outcome of any competition between our systems. We must see the Soviet Union as it is—neither minimizing the threats that Soviet power and policies pose to U.S. interests, nor exaggerating the strength of a Soviet regime beset by economic stagnation and saddled with a bankrupt and sterile ideology. We must join with our allies and friends to maintain an effective deterrent to Soviet power. We must pursue a clear, consistent and firm policy of peaceful competition toward the Soviet Union, a steady and pragmatic approach that neither tolerates Soviet aggression and repression nor fuels Soviet paranoia.

The job of an American President is both to check Soviet challenges to our vital interests, and to meet them on the common ground of survival. The risk of nuclear war cannot be eliminated overnight. But every day it can be either increased or decreased. And one of the surest ways to increase it is to cut off communications.

The Democratic Party condemns continued Soviet persecution of dissidents and refuseniks, which may well have brought Nobel laureate Andrei Sakharov and his wife to the verge of death in internal exile in Gorki. We will not be silent when Soviet actions, such as the imprisonment of Anatoly Shcharansky and Ida Nudel and thousands of others, demonstrate the fundamentally repressive and anti-Semitic nature of the Soviet regime. A Democratic Administration will give priority to securing the freedom to emigrate for these brave men and women of conscience including Jews and other minorities, and to assuring their fair treatment while awaiting permission to leave. These freedoms are guaranteed by the Universal Declaration of Human Rights and by the Helsinki Final Act which the Soviets have signed and with those provisions they must be required to comply. Jewish emigration, which reached the level of fifty thousand per year during the last Democratic Administration and which has virtually ended under its Republican successor, must be renewed through firm, effective diplomacy. We also recognize that Jewish emigration reached its height at the same time there was an American Administration dedicated to pursuing arms control, expanding mutually beneficial trade, and reducing tensions with the Soviet Union—fully consistent with the interests of the United States and its allies. It is no contradiction to say that while pursuing an end to the arms race and reducing East-West tensions, we can also advance the cause of Soviet Jewish emigration.

Eastern Europe—We must respond to the aspirations and hopes of the peoples of Eastern Europe and encourage, wherever possible, the forces of change and pluralism that will increase these people's freedom from Soviet tyranny and communist dictatorship. We should encourage Eastern European countries to pursue independent foreign policies and to permit greater liberalization in domestic affairs, and we should seek independent relationships to further these objectives with them.

The Democratic Party comdemns the Soviet repression by proxy in Poland and the other countries of Eastern Europe. The emergence of the free trade union Solidarity is one of the most formidable developments in post-war Europe and inspires all who love freedom. The struggle of the Polish people for a democratic society and religious freedom is eloquent testimony to their national spirit and bravery that even a brutal martial law regime cannot stamp out.

Today the Jaruzelski regime claims to have ended the harshest repressive measures. Yet it continues to hold political prisoners, it continues to mistreat them, and it continues to hunt down members of Solidarity.

The Democratic Party agrees with Lech Walesa that the underground Solidarity movement must not be deprived of union freedoms. We call for the release of all policial prisoners in Poland and an end to their harassment, the recognition of the free trade union Solidarity, and the resumption of progress toward liberty and human rights in that nation. A Democratic President will continue to press for effective international sanctions against the Polish regime until it makes satisfactory progress toward these objectives.

The Middle East—The Democratic Party believes that the security of Israel and the pursuit of peace in the Middle East are fundamental priorities for American foreign policy. Israel remains more than a trusted friend, a steady ally, and a sister democracy. Israel is strategically important to the United States, and we must enter into meaningful strategic cooperation.

The Democratic Party opposes this Administration's sales of highly advanced weaponry to avowed enemies of Israel, such as AWACS aircraft and Stinger missiles to Saudi Arabia. While helping to meet the legitimate defensive needs of states aligned with our nation, we must ensure Israel's military edge over any combination of Middle East confrontation states. The Democratic Party opposes any consideration of negotiations with the PLO, unless the PLO abandons terrorism, recognizes the state of Israel, and adheres to U.N. Resolutions 242 and 338.

Jerusalem should remain forever undivided with free access to the holy places for people of all faiths. As stated in the 1976 and 1980 platforms, the Democratic Party recognizes and supports the established status of Jerusalem as the capital of Israel. As a symbol of this stand, the U.S. Embassy should be moved from Tel Aviv to Jerusalem.

The Democratic Party condemns this Administration's failure to maintain a high-level Special Negotiator for the Middle East, and believes that the Camp David peace process must be taken up again with urgency. No nation in the Middle East can afford to wait until a new war brings even worse destruction. Once again we applaud and support the example of both Israel and Egypt in taking bold steps for peace. We believe that the United States should press for negotiations among Israel, Jordan, Saudi Arabia, and other Arab states. We re-emphasize the fundamental principle that the prerequisite for a lasting peace in the Middle East remains an Israel with secure and defensible borders, strong beyond a shadow of a doubt; that the basis for peace is the unequivocal recognition of Israel's right to exist by all other states; and that there should be a resolution of the Palestinian issue.

The United States and our allies have vital interests in the Persian Gulf. We must be prepared to work with our allies in defense of those interests. We should stand by our historic support for the principle of freedom of the high seas. At the same time, we and our allies should employ active diplomacy to encourage the earliest possible end to the Iran/Iraq conflict.

The Western Hemisphere—The Western Hemisphere is in trouble. Central America is a region at war. Latin America is experiencing the most serious economic crisis in 50 years. The Inter-American system is on the verge of collapse. Concern about U.S. policies has risen sharply.

It is time to make this Hemisphere a top priority. We need to develop relations based on mutual respect and mutual benefit. Beyond essential security concerns, these relations must emphasize diplomacy, development and respect for human rights. Above all, support for democracy must be pursued. The Reagan Administration is committing the old error of supporting authoritarian military regimes against the wishes of the people they rule, but the United States was not founded, and defended for 200 years with American blood, in order to perpetuate tyranny among our neighbors.

The Hemisphere's nations must strive jointly to find acceptable solutions with judgments and actions based on equally-applied criteria. We must condemn violations of human rights, aggression, and deprivation of basic freedoms wherever they occur. The United States must recognize that the economic and debt crisis of Latin America also directly affects us.

The Reagan Administration has badly misread and mishandled the conflict in Central America. The President has chosen to dwell on the strategic importance of Central America and to cast the struggle in almost exclusively East-West terms. The strategic importance of Central America is not in

doubt, nor is the fact that the Soviet Union, Cuba and Nicaragua have all encouraged instability and supported revolution in the region. What the President ignores, however, are the indigenous causes of unrest. Historically, Central America has been burdened by widespread hunger and disease. And the historic pattern of concentrated wealth has done little to produce stable democratic societies.

Sadly, Mr. Reagan has opted for the all too frequent American response to the unrest that has characterized Central America—military assistance. Over the past 100 years, Panama, Nicaragua, and Honduras have all been occupied by U.S. forces in an effort to suppress indigenous revolutionary movements. In 1954, CIA-backed forces successfully toppled the Government of Guatemala.

President Reagan's massive transfusions of military aid to El Salvador are no substitute for the social and economic reforms that are necessary to undermine the appeal the guerillas hold for many Salvadorans. The changes and upheavals in El Salvador and Nicaragua are home-grown, but they are exacerbated by forces from outside of Central America. The undoubted communist influence on these revolutions cannot be nullified by the dispatch of naval and air armadas to the waters off Nicaragua and thousands of troops to the jungles of Honduras. The solution lies with a new policy that fosters social, economic and political reforms that are compatible with our legitimate vital interests while accommodating the equally legitimate forces of change.

America must find a different approach. All too often, the United States thinks in terms of what it can do *for* the nations of Latin America and the Caribbean region. Rarely does it think in terms of what it can do *with* them. Even with the best of intentions, the difference is more than rhetorical, for paternalism can never be disguised and it is always resented—whether we choose to label it a "special relationship" or to call it a "defensive shield." Acting *for* the nations of the Hemisphere rather than acting in concert *with* them is the surest way of repeating the mistakes of the past and casting a dark shadow over the future.

It need not be. There is an alternative, a good alternative. The great Mexican patriot Benito Juarez pointed the way and said it best: "Between men as between nations, respect for the rights of others is peace." Working *with* our hemispheric neighbors produces understanding and cooperation. Doing something *for* them produces resentment and conflict.

Democrats know there is a real difference between the two and a Democratic President will seek the advice and counsel of the authentic democratic voices within the region—voices that may be heard north and south, east and west; the voices of President Miguel de la Madrid of Mexico, President Belisario Betancur of Colombia, and President Raul Alfonsin of Argentina; the voices of President Jorge Blanco of the Dominican Republic, Prime Minister Tom Adams of Barbados, and President Alberto Monge of Costa Rica. By consulting with and listening carefully to these leaders and to their democratic colleagues elsewhere in the region, the next Democratic President of the United States will fashion a policy toward the region which recognizes that:

The security and well-being of the Hemisphere are more a function of economic growth and development than of military agreements and arms transfers;

The mounting debt crisis throughout the region poses a broader threat to democratic institutions and political stability than does any insurgency or armed revoluntionary movement;

There is an urgent and genuine need for far-reaching economic, social and political reforms in much of the region and that such reforms are absolutely essential to the protection of basic human rights;

The future belongs as much to the people of the region—the politically forgotten and the economically deprived—as it does to the rich and powerful elite;

Preservation and protection of U.S. interests in the Hemisphere requires mutual respect for national sovereignty and demilitarization of the region, prior consultation in accordance with the Rio Treaty and the OAS Charter regarding the application of the Monroe Doctrine, the use of military force, and a multilateral commitment to oppose the establishment of Soviet and Cuban military bases, strategic facilities, or combat presence in Central America or elsewhere in Latin America;

Efforts to isolate Cuba only serve to make it more dependent on the Soviet Union; U.S. diplomatic skills must be employed to reduce that level of dependence and to explore the differences that divide us with a view to stabilizing our relations with Cuba. At the same time we must continue to oppose firmly Cuban intervention in the internal affairs of other nations. Progress in our relationship will depend on Cuba's willingness to end its support for violent revolution, to recognize the sovereignty and independence of other nations by respecting the principle of non-intervention, to demonstrate respect for human rights both inside and outside of Cuba, and to abide by international norms of behavior.

Mindful of these realities and determined to stop widening, militarizing, and Americanizing the conflict, a Democratic President's immediate objective will be to stop the violence and pursue a negotiated political solution in concert with our democratic allies in the Contadora group. He or she will approach Central American policy in the following terms:

First, there must be unequivocal support for the Contadora process and for the efforts by those countries to achieve political solutions to the conflicts that plague the Central American region.

Second, there must be a commitment on the part of the United States to reduce tensions in the region. We must terminate our support for the *contras* and other paramilitary groups fighting in Nicaragua. We must halt those U.S. military exercises in the region which are being conducted for no other real purpose than to intimidate or provoke the Nicaraguan government or which may be used as a pretext for deeper U.S. military involvement in the area. And, we must evidence our firm willingness to work for a demilitarized Central America, including the mutual withdrawal of all foreign forces and military advisors from the region. A Democratic President will seek a multilateral framework to protect the security and independence of the region which will include regional agreements to bar new military bases, to restrict the numbers and sophistication of weapons being introduced into Central America, and to permit international inspection of borders. This diplomatic effort can succeed, however, only if all countries in Central America, including Nicaragua, will agree to respect the sovereignty and integrity of their neighbors, to limit their military forces, to reject foreign military bases (other than those provided for in the Panama Canal Treaties), and to deny any external force or power the use of their territories for purposes of subversion in the region. The viability of any security agreement for Central America would be enhanced by the progressive development of pluralism in Nicaragua. To this end, the elections proposed for November are important; how they are conducted will be an indication of Nicaragua's willingness to move in the direction of genuine democracy.

Third, there must be a clear, concise signal to indicate that we are ready, willing and able to provide substantial economic resources, through the appropriate multilateral channels, to the nations of Central America, as soon as the Contadora process achieves a measure of success in restoring peace and stability in the region. In the meantime, of course, we will continue to provide humanitarian aid and refugee relief assistance. The Democratic Administration will work to help churches and universities which are providing sanctuary and assistance to Guatemalan, Haitian, and Salvadoran refugees, and will give all assistance to such refugees as is consistent with U.S. law.

Fourth, a Democratic President will support the newly elected President of El Salvador in his efforts to establish civilian democratic control, by channeling U.S. aid through him and by conditioning it on the elimination of government-supported death squads and on progress toward his objectives of land reform, human rights, and serious negotiations with contending forces in El Salvador, in order to achieve a peaceful democratic political settlement of the Salvadoran conflict.

Fifth, a Democratic President will not use U.S. armed forces in or over El Salvador or Nicaragua for the purpose of engaging in combat unless:

1. Congress has declared war or otherwise authorized the use of U.S. combat forces, or

2. the use of U.S. combat forces is necessary to meet a clear and present danger of attack upon the U.S., its territories or possessions or upon U.S. embassies or citizens, consistent with the War Powers Act.

These are the key elements that evidence very real differences between the Democrats' approach to Central America and that of the Reagan Administration. And these are the key elements that will offer the American public a choice—a very significant choice—between war and peace in the Central American region.

A Democratic President would seek to work with the countries of the Caribbean to strengthen democratic institutions. He or she would not overlook human rights, by refusing to condemn repression by the regimes of the right or the left in the region. A Democratic President would give high priority to democracy, freedom, and to multilateral development. A Democratic President would encourage regional cooperation and make of that important area a showplace rather than a footstool for economic development. Finally, support for democracy must be pursued in its own right, and not just as a tactic against communism.

Human rights principles were a cornerstone of President Carter's foreign policy and have always been a central concern in the Inter-American system. Regional multilateral action to protect and advance human rights is an international obligation.

A Democratic President must not overlook human rights, refusing to condemn repression by the regimes of the right or the left

in the region. Insistence that governments respect their obligations to their people is a criterion that must apply equally to all. It is as important in Cuba as in El Salvador, Guatemala as in Nicaragua, in Haiti as in the Paraguay and Uruguay.

A Democratic Administration would place protection of human rights in a core position in our relations with Latin America and the Caribbean. It would particularly seek multilateral support for such principles by strengthening and backing the Inter-American Commission on Human Rights, and by encouraging the various private organizations in the hemisphere dedicated to monitoring and protecting human rights.

Africa—The Democratic Party will advocate a set of bold new initiatives for Third World nations in general and Africa in particular. Hunger, drought, and famine have brought untold suffering to millions in Africa. This human misery—and the armies of nationless—requires a policy of substantial increases in humanitarian assistance, a major thrust in agricultural technology transfer, and cessation of the unfortunate tendency to hold such aid hostage to East-West confrontation or other geopolitical aims. The United States also must offer substantially greater economic assistance to these nations, while engaging in a North-South multilateral dialogue that addresses mutual economic development strategies, commodities pricing, and other treaties relevant to international trade. A Democratic President will join with our friends within and outside the continent in support of full respect for the sovereignty and territorial integrity of all African states. Africa is the home of one-eighth of the world's population and a continent of vast resources. Our national interest demands that we give this rich and diverse continent a much higher priority.

A Democratic President will reverse the Reagan Administration's failed policy of "constructive engagement" and strongly and unequivocally oppose the apartheid regime in South Africa. A Democratic Administration will:

Exert maximum pressure on South Africa to hasten the establishment of a democratic, unitary political system within South Africa.

Pursue scrupulous enforcement of the 1977 U.N. arms embargo against South Africa, including enforcement of restrictions on the sale of "dual use" equipment.

Impose a ban on all new loans by U.S. business interests to the South African government and on all new investments and loans to the South African private sector, until there is substantial progress toward the full participation of all the people of South Africa in the social, political, and economic life in that country and toward an end to discrimination based on race or ethnic origin.

Ban the sale or transfer of sophisticated computers and nuclear technology to South Africa and the importation of South African gold coins.

Reimpose export controls in effect during the Carter Administration which were relaxed by the Reagan Administration.

Withdraw landing rights to South African aircraft.

The Democratic Party condemns South Africa for unjustly holding political prisoners. Soviet harassment of the Sakharovs is identical to South African house arrests of political opponents of the South African regime. Specifically, the detention of Nelson Mandela, leader of the African National Congress, and Winnie Mandela must be brought to the world's attention, and we demand their immediate release. In addition, we demand the immediate release of all other political prisoners in South Africa.

A Democratic Administration will work as well toward legitimate rights of self-determination of the peoples of Namibia by:

Demanding compliance with U.N. Security Council Resolution 435—the six-year-old blueprint for Namibian independence;

Imposing severe fines on U.S. companies that violate the United Nations Decree prohibiting foreign exploitation of Namibian mineral wealth until Namibia attains independence;

Progressively increasing effective sanctions against South Africa unless and until it grants independence to Namibia and abolishes its own abhorrent apartheid system.

Asia—Our relationship with the countries of Asia and the Pacific Basin will continue to be of increasing importance. The political, cultural, economic, and strategic ties which link the United States to this region cannot be ignored.

With our Asian friends and allies, we have a common cause in preserving the security and enhancing democracy in the area.

With our Asian trading partners, we share a common interest in expanding commerce and fair trade between us, as evidenced by the 33 percent of total American trade now conducted with those countries.

And with the growing number of Asian/Pacific-Americans, we welcome the strength and vitality which increased cultural ties bring to this country.

Our relationship with Japan is a key to the maintenance of peace, security, and development in Asia and the Pacific region. Mutual respect, enhanced cooperation, and steady diplomacy must guide our dealings with Japan. At the same time, as allies and friends, we must work to resolve areas of disagreement. A Democratic President, therefore, will press for increased access to Japanese as well as other Asian markets for American firms and their products. Finally, a Democratic President will expect Japan to continue moving toward assuming its fair share of the burden of collective security—in self-defense as well as in foreign assistance and democratic development.

Our security in the Pacific region is also closely tied to the well-being of our long-time allies, Australia and New Zealand. A Democratic President will honor and strengthen our security commitment to ANZUS as well as to other Southeast Asian friends.

Our relationship with the People's Republic of China must also be nurtured and strengthened. The Democratic Party believes that our developing relations with the PRC offer a historic opportunity to bring one quarter of the world's population into the community of nations, to strengthen a counterweight of Soviet expansionism, and to enhance economic relations that offer great potential for mutual advantage. At the same time, we recognize our historic ties to the people on Taiwan and we will continue to honor our commitments to them, consistent with the Taiwan Relations Act.

Our own principles and interests demand that we work with those in Asia, as well as elsewhere, who can encourage democratic institutions and support greater respect for human rights. A Democratic President will work closely with the world's largest democracy, India, and maintain mutually beneficial ties. A Democratic President will press for the restoration of full democracy in the Philippines, further democratization and the elimination of martial law in Taiwan, the return to freedom of speech and press in South Korea, and restoration of human rights for the people of East Timor. Recognizing the strategic importance of Pakistan and the close relationship which has existed between our two countries, a Democratic President would press to restore democracy and terminate its nuclear weapons program. Finally, a Democratic President would press for the fullest possible accounting of Americans still missing in Indochina.

For the past four years, the Soviet Union has been engaged in a brutal effort to crush the resistance of the people of Afghanistan. It denies their right to independence. It is trying to stamp out their culture and to deny them the right to practice their religion, Islam. But despite appalling costs, the people of Afghanistan continue to resist—demonstrating the same qualities of human aspiration and fortitude that made our own nation great. We must continue to oppose Soviet aggression in Afghanistan. We should support the efforts of the Afghanistan freedom fighters with material assistance.

If the Soviet Union is prepared to abide by the principles of international law and human dignity, it should find the U.S. prepared to help produce a peaceful settlement.

Global Debt and Development

The Democratic Party will pursue policies for economic development, for aid and trade that meet the needs of the people of the developing world and that further our own national interest. The next Democratic President will support development policies that meet the baisc needs of the poor for food, water, energy, medical care, and shelter rather than "trickle down" policies that never reach those on the bottom. The next Democratic Administration will give preference in its foreign assistance to countries with democratic institutions and respect for human rights.

A Democratic President will seek to cut back record U.S. budget deficits and interest rates not only for our own economic well-being, but to reduce the economic crisis confronting so many industrialized and developing states alike.

Mr. Reagan has perceived national security in very limited and parochial terms, and thus has failed completely to grasp the significance of the international debt which now has sky-rocketed to some $800 billion. In 1983, some thirty nations accounting for half of this total were forced to seek restructuring of their debts with public and private creditors because they were unable to meet their debt payments.

The U.S. economy is directly linked to the costs of these loans through their variable interest rates (tied to the U.S. prime rate). A rise in the U.S. prime rate by one percent added more than $4 billion to the annual interest costs associated with these external debts. The struggle to meet their external debts has slashed the purchasing power of these developing countries and forced them to curtail imports from the U.S. This accounts for one-third to one-half of the adverse turn in the trade deficit, which is projected to reach $130 billion this year.

The social and political stability of these developing countries is seriously challenged by the debt crisis. In light of the interdependence of the international economy, the crisis also threatens the very foundation of the international financial system. To

answer these dangers, the Democratic Administration will:

Call immediately for discussions on improving the functioning of the international monetary systems and on developing a comprehensive long-term approach to the international debt problem.

Instruct the Treasury Department to work with the Federal Reserve Board, U.S. bank regulators, key private banks, and the finance ministers and central bankers of Europe and Japan, to develop a short-term program for reducing the debt service obligations of less developed countries, while 1) preserving the safety and soundness of the international banking system and 2) ensuring that the costs of the program are shared equitably among all parties to existing and rescheduled debts.

Recommended an increase in the lending capacity of the World Bank, as well as an increase in the lending capacity of the Export-Import Bank of the U.S., to ensure that debtor nations obtain adequate capital for investment in export industries.

Review international trade barriers which limit the ability of these countries to earn foreign exchange.

Security assistance can, in appropriate circumstances, help our friends meet legitimate defense needs. But shifting the balance from economic development toward military sales, as has occurred over the past three and one-half years, sets back the cause of peace and justice, fuels regional arms races, and places sophisticated weapons in the hands of those who could one day turn them back upon us and upon our friends and allies. The Democratic Party seeks now, as in the past, effective international agreements to limit and reduce the transfer of conventional arms.

A Democratic President will seize new opportunities to make major advances at limited cost in the health and survival of the world's poorest people—thus enabling more people to contribute to and share in the world's resources, and promoting stability and popular participation in their societies. Recognizing that unrestrained population growth constitutes a danger for economic progress and political stability, a Democratic President will restore full U.S. support for national and international population programs that are now threatened by the policies of the Reagan Administration.

A Democratic President will work to see the power and prestige of the U.S. fully committed to the reform and strengthening of the United Nations and other international agencies in the pursuit of their original purposes—peace, economic and social welfare, education, and human rights.

Because of the economic instability caused by global debts and other problems, unprecedented migration into the United States and other parts of the world is occurring in the form of economic refugees. The Democratic Party will support economic development programs so as to aid nations in reducing migration from their countries, and thereby reduce the flow of economic refugees to the U.S. and other parts of the world.

Rather than scuttling the international Law of the Sea negotiations after over a decade of bipartisan U.S. involvement, a Democratic President will actively pursue efforts to achieve an acceptable Treaty and related agreements that protect U.S. interests in all uses of ocean space.

Human Rights and Democratic Solidarity

The Democratic Party believes that we need new approaches to replace the failed Republican policies. We need sustained, personal, presidential leadership in foreign policy and arms control. We need a President who will meet with the Soviets to challenge them to reduce the danger of nuclear war, who will become personally involved in reviving the Camp David peace process, who will give his or her full support to the Contadora negotiations, and who will press the South Africans to repeal their policies of apartheid and destabilization. We need a President who will understand that human rights and national security interests are mutually supportive. We need a President to restore our influence, enhance our security, pursue democracy and freedom, and work unremittingly for peace. With firm purpose, skill, sensitivity, and a recovery of our own pride in what we are—a Democratic President will build an international alliance of free people to promote these great causes.

A Democratic President will pursue a foreign policy that advances basic civil and political rights—freedom of speech, association, thought and religion, the right to leave, freedom of the integrity of the person, and the prohibition of torture, arbitrary detention and cruel, inhuman and degrading treatment—and that seeks as well to attain basic, economic, social, and cultural rights. A Democratic President's concern must extend from the terror of the Russian Gulag to the jails of Latin generals. The banning of South African blacks is no more acceptable than the silencing of Cuban poets. A Democratic President will end U.S. support for dictators throughout the world from Haiti to the Philippines. He or she will support and defend the observance of basic human rights called for in the Universal Declaration of Human Rights and the Helsinki Final Act. He or she will seek, through both quiet diplomacy and public measures, the release of political prisoners and the free immigration of prosecuted individuals and peoples around the world. He or she will seek U.S. ratification of the Genocide Convention, the International Covenants on Human Rights, and the American Convention on Human Rights, as well as the establishment of a U.N. High Commissioner for Human Rights. He or she will fulfill the spirit as well as the letter of our legislation calling for the denial of military and economic assistance to governments that systematically violate human rights.

The Democratic Party believes that whether it is in response to totalitarianism in the Soviet Union or repression in Latin America and East Asia, to apartheid in South Africa or martial law in Poland, to terrorism in Libya or the reign of terror in Iran, or to barbaric aggression in Southeast Asia and Afghanistan, the foreign policy of the United States must be unmistakably on the side of those who love freedom.

As Democrats and as Americans, we will make support for democracy, human rights, and economic and social justice the cornerstone of our policy. These are the most revolutionary ideas on our planet. They are not to be feared. They are the hallmarks of the democratic century that lies before us.

U.S. POLICY TOWARD MOROCCO

Mr. MOYNIHAN. Mr. President, this morning in Washington our distinguished Secretary of State, George P. Shultz, met with a senior representative of Morocco's King Hassan II to discuss what it was that brought the Government of Morocco recently to enter into a treaty of unity with the Government of Colonel Qadhafi's Libya.

The outcome of these discussions is not yet fully known and, for good reasons, may remain private, but we can welcome the fact that the Department of State is pursuing the matter.

I think it necessary also to observe that this event—one of enormous potential significance to the stability of North Africa and the Middle East—took the American foreign policy apparatus completely by surprise. This necessarily calls into question the very premises of American policy toward the region these past several years, which has in very large measure been based on a presumption of a congruence of perspective and interest between the United States and the Kingdom of Morocco.

An announcement was made in Morocco on August 14 that there would shortly be a federation created between two previously distinct, and moreover noncontiguous countries: Libya, headed by the dictator Qadhafi, a man poisonously hostile to civilized values and Western nations, and the Morocco of King Hassan, a person hitherto represented in the world as a moderate Arab, a leader of a nation well disposed to European neighbors and to the United States—and not incidently a recipient of considerable military and economic aid from the United States.

If there were two nations on the Mediterranean littoral which one would have supposed least likely to join in a federation, they would surely be Morocco and Libya. Indeed, Judith Miller of the New York Times reported on August 31 that the announcement in Morocco on August 14 had startled the United States. Even today one can speak to officials at the State Department who will acknowledge that in this matter the United States was taken completely by surprise.

Let us ask for a moment what is it that has apparently happened and what is to be inferred from it.

First of all, Libya—for all its power as an oil-producing nation—has nonetheless seen its situation decline by some considerable measure. The decline in oil revenues has been real, and we have had reason to think that this decline was affecting Libyan abilities to acquire arms.

The war in Chad, where Qadhafi has sent 5,000 troops to invade that country, in order to seize an area which is known principally for its uranium deposits, has not been going well for Libya. It has provoked responses in Africa and in Europe.

The Qadhafi regime continues to worry about what its own citizens, at home and abroad may do to it, and with good reason.

The United States has been at pains to see that the isolation of this country be enhanced. We have very narrowly restricted our relations with Libya. The difficulties the British have recently encountered, and their responses, are well known.

Indeed, one might have begun to think that this particularly vehement, violent man was beginning to lose some of his aura of invincibility in the Maghreb region.

Yet suddenly, totally to our surprise, the nation of north Africa which was judged to be closest to the United States, which we so proclaimed, entered a treaty of union with this country with which we were most at odds.

This political union therefore constitutes diplomatic defeat for the United States of very large proportions.

This was very much in Colonel Qadhafi's mind when he recently celebrated the 15th anniversary of the revolution in which he took over the Government of Libya. It was not to have been much of an anniversary. Mr. Thomas Sankara of Bourkina-Fasso, the country formerly known as Upper Volta, was the only head of state present. Mr. Tomas Borge, a member of the junta in Nicaragua, had the great ill grace to be on hand. But few others were, and no one whose opinion might be thought particularly important. This was an illustration of the opprobrium in which Colonel Qadhafi and his regime are held by the nations of the world.

They heard Mr. Qadhafi vow to destroy what he called the so-called State of Israel. He said he would work day and night, and I quote, "day and night to destroy this hostile racist, Zionist entity which is arming itself with nuclear power."

All of this would have been familiar rhetoric, and indeed in the circumstances, less threatening than it had previously been save that within hours the respective legislative bodies of Libya and Morocco affirmed their union, a stunning event. For King Hassan had breathed a bit of legitimacy into the moribund politics of the otherwise isolated Qadhafi.

It was learned on August 20 that King Hassan had proposed the union to the Libyans on July 13. He had done this in the aftermath of a previous statement by Mr. Qadhafi which said that he, Qadhafi, would cease his support for the Polisario rebels in what was formerly the Spanish Sahara if Hassan joined in the Libyan effort to destroy the so-called State of Israel.

King Hassan, a presumed friend, an established beneficiary of American economic and military support and something of an exhibit of American influence in this administration—as in the one before and the one before that—suddenly turned against us with utter calculation that it was better to be on the side of Libya under Qadhafi than of the United States under President Reagan, or whoever may one day succeed him.

And he did so in response to an invitation from Qadhafi to join in the destruction of Israel. Hassan's response to that was to propose a treaty of unity providing for a rotating presidency and a mutual defense pact.

It is possible that the decision was made with some speed, that agreement came quickly. Even so, we knew nothing about it and had no inkling of it over a whole summer in which Mr. Qadhafi was making threats combined with offers and honeyed words, a fairly familiar pattern. We sat silently and rather complacently, assuming that we had this great relationship that it was stable, and that it was the consequence of a perceived self-interest by the King and his advisers in Morocco.

We lost something of value. We are without a replacement. The stability of the region is less than it was. The attacks upon the State of Israel and its legitimacy now only escalate further. And we have seen this in the context of the American foreign policy that proclaims itself both successful and secure.

Mr. President, I suggest that there is a large issue involved here which once again seems to need attending to in our foreign relations, and that is the issue of our concern for international law.

It is an elemental fact that more and more the notions of law in the relations of States seem to be receding from our councils. The notion of law as a restraint somehow placed on the freedom of actions of those who wish to accept it has insinuated itself into our Government's thinking. We seem never to learn the consequences of the falling away of a previously strong and persistent conviction over much of the century; namely, that law ought to be central to American foreign policy.

It happens that I was our Ambassador to the United Nations when Spain announced in 1975 that it was giving independence to the Spanish Sahara. The previous year the General Assembly of the United Nations had passed a resolution calling for that independence and asking for an advisory opinion by the World Court as to whether there previously had been a country in the territory called Spanish Sahara before the partition of Africa at the Congress of Berlin in 1885. In other words, was this Terra Nullius, or was it a nation? The World Court unanimously agreed it was a nation, was entitled to its independence. Even so, in flagrant disregard of the Court and the law, the United States participated in the decision to partition that territory between Mauritania and Morocco.

Mr. President, in 1975 the General Assembly had been prepared to insist upon the establishment of a sovereign nation on what had previousy been a European territory. The International Court of Justice had declared, by the full legality and the necessity of the rules and by the understandings of that time, that there should be a new nation formed. How viable a nation, one cannot know. It was certainly a nation of some attraction because beneath its otherwise unpromising landscape were suspected large deposits of important minerals, including, reportedly, the world's largest reserves of phosphates. There was an obligation under law to give independence to that nation. I do not say it was a prudent thing or a viable thing, but the legal obligation was clear.

We chose to abide by it. We chose to instead allow our friend, Morocco, to partition Spanish Sahara with Mauritania, to draw a line with no more sensibilities to the facts of the lives of the people that lived there than the lines drawn at the Congress of Berlin in 1885.

The United States supported this outcome because it seemed a convenient course. It purported to flow from a wise and knowing realism about the world, although it brought on an insurgency supported in the first instance by Algeria, and subsequently by the Soviet Union through Algeria, called the Polisario. It has gone on for almost 10 years now. And what is the final result we observe?

In order to accommodate the King of Morocco, we chose to ignore the requirements of law, or certainly the indicated course that law gave us, and let him divide his neighbor in half and take the half with the phosphate, and do so because he assured us of his dependable anti-Soviet and pro-American position and such like in that part of the world.

What has been the result 10 years later, but that the King of Morocco has agreed to merge his nation, his foreign affairs and its independence with the dictator Qadhafi, the very personification of everything we have opposed in the region—not least, lawlessness. How successful has that policy been? How realistic was it, believing that someone could just slice this little country in two and nobody would be the worse for it, nobody would notice it? Apparently King Hassan noticed, and was confirmed in the notion that ours is not an idealistic nation given to unrealistic and hopeless notions of how governments should conduct themselves. We understood power. We understood influence. And we were exercising both by ignoring international law. Now we appear 10 years later to have lost both, as King Hassan in his turn is apparently willing to overlook Qadhafi's transgressions against international law.

It is a lesson learned over and over in our time, or so it seems to me: The United States is frittering away a great legacy of belief in the rule of law in the conduct of nations. We shall come to regret it. For if we do not assert the primacy of law, you may be sure that the Soviets will not, and fewer of those who once did also will if they see us abandoning these standards.

The question is this: If you do not believe that the conduct of nations should be governed by generally recognized rules of law, then in what do you believe? What do you think to be the principles on which nations relate one to the other?

It has been said by Dean Acheson and others that the issue of survival of states is not a matter of law. But there are rules in the world, there are standards in the world, there have been procedures set up in the world. Where we have adhered to them, we have not fared badly. We fare badly, however, when we deceive ourselves that rules somehow marked a weak-minded idealism against a tough-minded realism. One consequence is that we end up with King Hassan joining Colonel Qadhafi in a union that threatens the stability of the Mediterranean.

I do not wish to exaggerate how stable this relationship will be. Mr. Qadhafi has worked out six previous agreements—two each with Egypt and the Sudan, one with Syria and one with Tunisia. But a blow it still is to our policy. And how deeply ironic that in order to overcome the consequences of the U.S. failure to insist upon rules of international conduct in 1975, and doing so in aid of a presumed friend in Morocco, that 10 years later, that country should turn to the most vehement enemy of things democratic and Western in the Mediterranean, and the country most associated with an absolute rejection of the idea of law and the idea of standards in the conduct of nations. For a decade now, Libya has not failed in any given year to produce some yet more aggregious violation of the responsibilities of nations in international affairs.

These things come back, Mr. President, and they have come back now. We wish the Secretary of State well in his efforts to restore something of the previous relationship. But it cannot be denied that there has been a great failing, and yet another signal to allies and friends that when the United States most proclaims the success of its affairs is the moment to be most on the alert for setbacks, and a genuine setback, indeed.

In the meantime, the condition of the State of Israel is once again affirmed: That it can find no rest within the Islamic world, and, if this is the case, if we could have prevented it, we did not do so. To the degree that it has happened it is a loss to both our nations which I hope can be remedied. I look forward to some effort to do so, but for the moment record a failure of diplomacy preceded, if I may, Mr. President, by a failure of standards. Had we understood in 1975 what our responsibilities were under law, we would not almost 10 years later face the real fact of success by a genuinely lawless regime in Tripoli.

Mr. President, if I may have the floor for 1 minute more, I ask unanimous consent to place in the RECORD a statement I once had occasion to prepare about the events in 1975 concerning the partition of Spanish Morocco.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FROM A DANGEROUS PLACE

(By Daniel Patrick Moynihan, with Suzanne Weaver; Little, Brown & Co.; 1978; pp. 246-7)

Spanish Sahara was a place of somewhat greater importance in itself—as Spanish Sahara was the fourth largest producer of phosphates in the world, a commodity whose value had quintupled when the price of oil had been quintupled—and of vastly greater importance to the rule of law and the authority of the United Nations Charter. In December of 1975, the territory was partitioned. Eight weeks earlier, the International Court of Justice, in an advisory opinion requested by the General Assembly, had solemnly affirmed the right of self-determination of the people of this, the last Spanish colony.

Twelve months earlier, December 13, 1974, the General Assembly, "reaffirming the right of the population of the Spanish Sahara to self-determination," had requested an advisory opinion by the court on whether this area had been, at the time of Spanish colonization in 1884, "a territory belonging to no one (*terra nullius*)," as asserted by Spain. Both the Kingdom of Morocco and the Islamic Republic of Mauritania were making claims to prior suzerainty over the region, and whether Spain would actually leave the place was still an open question. No one might have cared—there were at most seventy thousand inhabitants of the bleak territory, and of these almost all were nomads—save for the discovery that its northern region was pure phosphate. The opportunity to win yet another victory over colonialism now combined with the prospect of profit. There was talk of invasion. Generalissimo Franco was adroit to the last. He would not have a war, no matter how miniature. In May, 1975, he announced that Spain would grant independence to the territory in the shortest possible time, and thereupon asked the Secretary-General to send U.N. observers to be on hand for the transfer. On October 17 the International Court of Justice issued its opinion. The Court found that at the time of colonization by Spain, Western Sahara "was not a territory belonging to no one (*terra nullius*)," but neither did the information and materials presented to it "establish any tie of territorial sovereignty between the territory of Western Sahara and the Kingdom of Morocco or the Mauritanian entity." Thus, the decision concluded, independence should go forward "through the free and the genuine expression of the will of the peoples of the Territory."

With that, King Hassan II of Morocco announced that he would lead a peaceful "march of conquest" of a quarter million of his subjects into Spanish Sahara. Algerian President Houari Boumédienne announced that if Morocco did this Algeria would go to war. Secretary-General Waldheim called for the "utmost restraint" to "avoid tragedy." The Security Council appealed to all "concerned and interested parties" to avoid any action that might heighten tension. The marchers went forward. Then they went back. Franco stepped down and Prince Juan Carlos de Borbón succeeded him. As Acting Chief of State he flew to the colony and declared that Spain would protect the "legitimate rights" of the people of Spanish Sahara and the "honor and prestige of the Army of Spain." He thereupon turned the territory over to Morocco and Mauritania to divide between them. Algeria, which also bordered on the territory, was outmaneuvered. The General Assembly passed two resolutions. One sided with Algeria; the other sided with Morocco.

The two events spoke to the nature of the new world system. It was not so different from the old. It was for the moment more stable, but a reasonable forecast would be that Africa in particular had a century of border wars ahead of it. On the other hand, such was the power of the anticolonial idea that great powers from outside a region had relatively little influence unless they were prepared to use force. China altogether backed *Fretilin* in Timor, and lost. In Spanish Sahara, Russia just as completely backed Algeria, and its front, known as *Polisario*, and lost. In both instances the United States wished things to turn out as they did, and worked to bring this about. The Department of State desired that the United Nations prove utterly ineffective in whatever measures it undertook. This task was given to me, and I carried it forward with no inconsiderable success.

Mr. MOYNIHAN. I thank the Chair.

ORDER EXTENDING MORNING BUSINESS UNTIL 2 P.M.

Mr. BAKER. Mr. President, I ask unanimous consent that the time for morning business be extended until 2 o'clock under the same terms and conditions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ITEMS PLACED ON THE CALENDAR—H.R. 5151, S. 2925, AND SENATE JOINT RESOLUTION 348

Mr. BAKER. Mr. President, there are three items to be presented for second reading which are on the calendar as soon as morning business closes. Under the provisions of rule 14, as these matters are presented, and if there is an objection, the matters will go to the calendar.

Mr. President, rather than go through that routine and in order to avoid further interruptions, I wonder if the minority leader would be willing now for me to put a unanimous-consent request that these three items be placed on the calendar.

Mr. BYRD. Mr. President, I compliment the distinguished majority leader on his proposal.

Mr. BAKER. I thank the Senator. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEATH OF SENATOR HENRY M. JACKSON

Mr. NUNN. Mr. President, just over 1 year ago, on September 1, 1983, our Nation lost an irreplaceable leader, Senator Henry M. Jackson of Washington. Although recalling Scoop Jackson's death is painful for his many friends, I believe that the Senate, where Scoop labored so tirelessly and effectively for more than three decades, should take a few moments to remember Scoop and his contributions to our Nation, as we have just passed 1 year in terms of the anniversary of his death.

During the past year, as the Senate has addressed the Federal deficit, the defense budget, arms control and other major national questions, I have often wished that I could turn to Scoop Jackson for advice and guidance. I know that many of my colleagues have shared that wish. All who had the privilege of serving with Scoop became accustomed to seeking him out, and weighing his words carefully when reaching decisions on critical issues.

Scoop Jackson embodied the highest ideals of the Senate. His voice of reason and moderation, his integrity and decency, his vision and insight, his experience and skill all enabled him to earn the highest respect of every other Senator. Those qualities also enabled him to leave a permanent legacy of greater security and a better life for all Americans.

Mr. President, I have copies of the eulogies to Scoop Jackson delivered here on the Senate floor last year by Senators BAKER, BYRD, STENNIS, and GORTON. I believe that these remarks reflect the unparalleled esteem in which Scoop Jackson was held by his colleagues, and I believe that we could all profit by recalling those words that were spoken last year. I ask unanimous consent that those eulogies be printed in the RECORD following my remarks.

Mr. President, the Senate and our Nation are poorer for the loss of Scoop Jackson, but the life of each and every American—because of his service here in the Senate, his service to Washington, and his service to our Nation—is safer and the life of every American is richer.

EULOGY BY MR. BAKER

Mr. BAKER. Mr. President, I have been in the Senate for 17 years and I have known the Congress intimately for much longer, by reason of the service of members of my family and members from my great State. In the course of that experience, I have seen great Members of Congress from both parties whose service in this body and in the other body have been remarked on at length at the time of their passing. But I cannot recall many instances, Mr. President, when there has been such a genuine outpouring of emotion and such a clear and candid statement of grief expressed by so many at the passing of a Senator as is the case with Henry M. Jackson of Washington.

All Senators are equal and represent equally the sovereign State from which they are elected. But some, Mr. President, tower in their strength and commitment to the Union, in their conscientious dedication to equality, and certainly in their quest for excellence. Only a few, Mr. President, meet that standard, but Henry M. Jackson of Washington is near the top of that list, measured from the beginning of the Republic.

A man of majestic stature, of strength and conviction; a man who could stand on the Senate floor and express the conscience of the Congress and the country; a man who could change the course of debate and shape and form the policy of a great nation; a man who was humble in the face of success and congratulations and who was courageous and determined in the face of criticism and dissent; a man who knew who he was and where he was going and where he wished to take the country: that was the man we have lost, Mr. President, as a colleague and a friend.

It will be a long time, Mr. President, before someone else can fulfill the role and rise to the stature that Henry M. Jackson created for himself. So, may I join with our distinguished colleague from the State of Washington in expressing my regret and my sadness at the passing of Scoop Jackson. I join, I am sure, with every one of the Members of the Senate in wishing him farewell.

EULOGY BY MR. BYRD

Mr. BYRD. Mr. President, during my tenure in the Senate, I have known some great Senators and I have followed the leadership of those Senators and sought out their advice and their commonsense wisdom. The late Richard B. Russell was one such Senator. Abraham Ribicoff was another, John Pastore another. There are Senators who are today serving who fit into that mold. I will not presently name them. But Henry "Scoop" Jackson was one such Senator. His knowledge with respect to various matters confronting our nation and confronting the nations of the world was a knowledge that was recognized by Senators on both sides of the aisle and by national leaders outside the Senate and national leaders throughout the world. He had only recently completed a visit to the People's Republic of China. "Scoop" Jackson realized perhaps earlier than some of the others of us, the fact that a country whose population is 1 billion people cannot be ignored and cannot remain in the shadows of invisibility.

I often sought "Scoop" Jackson's advice, particularly with reference to national defense, energy, and the economy. "Scoop" Jackson, like Richard Russell, had a commonsense approach to these matters. His viewpoints were well thought out and were born of strong conviction. He did not hesitate to speak his conviction. Yet he was always tolerant of the viewpoints of others, and he leaves, Mr. President, a void in this Senate that will not soon be filled. He was my friend, as he was the friend of 98 other Senators. He was extremely energetic, active, and his handiwork will always have its imprint upon some of the most important laws that have been passed by the Federal legislative branch in the past quarter of a century.

The great 19th century preacher, Phillips Brooks, once said, "A sermon is truth speaking through personality."

That statement might also describe the careers of many U.S. Senators, and Senator Henry M. Jackson was a good example of that ideal. Through his personality and public performance, Senator Jackson embodies many great values and gave life to some of the most crucial issues of our times. When one thinks of strong national defense, of our commitment to Israel, or of dealing with the Soviet Union from strength, Henry Jackson comes to mind. When one thinks of making old age dignified and secure, of the healthy and balanced environment, or a equal justice and opportunity for all Americans, Henry Jackson comes to mind. And when one thinks of America's fulfilling her limitless potential of firm national purpose or steady and effective leadership, Henry Jackson comes to mind. In generations to come when men and historians look back upon this era, Henry Jackson's name will stand out as one of the great men of this age.

Henry Jackson, as I liked to call him but "Scoop" as he liked to be called and as he was best known, was a remarkably decent, moral man. He was also a realist. He did not believe that if we just let things take their own course, everything would turn out right. He realized that Western civilization itself is at stake in this modern world of dictatorships and of technology in thralldom to totalitarianism.

Back in 1945, Senator Jackson accompanied the American Forces that liberated the Buchenwald concentration camp. One can only guess at the thoughts that he must have had on that occasion. But one can surmise what impact the starving survivors, the furnaces, the pile of victims, and the unbroken acres of death and agony must have had on a young Congressman who grew up in a decent Norwegian immigrant family and in the beauty and order of the State of Washington.

Whatever that impact was, Senator Jackson had a deep sense of history and a realistic view of the future. He realized how thin the veneer of culture and civilization can be and how fragile are rights of the innocent and defenseless in a world of savage and bullies. He saw totalitarianism for what it is, and he was never afraid to point an accusing finger at Soviet terror.

Ben Wattenberg recounts that on a 1975 visit with the Russian scientist and dissident Andrei Sakharov outside. Moscow, Sakharov said of Henry Jackson, "He is our champion."

That is how many Americans will remember Senator Jackson as well—as a champion of a strong America, of a decent America, of a prosperous America, and of a just America. Henry Jackson was a thorough patriot and an extraordinary Senator who has left his mark on our century and our generation. America and the U.S. Senate are better because of Senator Jackson's efforts and dedication and we all mourn his passing. I will miss him greatly. And may I say that Erma and I join in our expression and feeling of deep sorrow and compassion. We join in extending those to Helen and to Anna Marie and to Peter.

The Senate is larger than all of its parts, it is larger than its 100 Members, and the Senate in my judgment is the basic foundation of the strong character of this Republic. Senator Jackson was one who helped to give the Senate its character. Someone has said:

"Fame is a vapor, popularity an accident, riches take wings, and those who cheer today may curse tomorrow. Only one thing endures—character."

Henry Jackson epitomized character. And we will never forget his example.

EULOGY BY MR. STENNIS

Mr. STENNIS. Mr. President, I came out of the front door of my residence, at the first crack of day, on my way to catch an airplane, and the gentleman who was taking me to the airport said, as I was getting into the car, "Did you hear on the radio last night that Senator Henry Jackson had had a massive heart attack and passed away?"

Well, I had not heard it. That statement he made stunned me into a silence, and I realized after I got to the airport, 30 miles away, that I had not spoken a word, not a word, all the way down.

I am not overcome by emotion now, but I do not have any disposition to try to make a cool analysis of Senator Jackson's career.

I wish to say something, though, in tribute to the man, to his honor, to his character, and very high integrity and the attitude of country first, the problems of the people, giving it his utmost attention.

It has been mentioned that he aspired to the Presidency at times. I am sure that the prime motivation there was the same as it has been in other fields of public service. It was a desire to be of service.

I was with him at one of the political meetings. I spent some time with him. By chance, we were together that afternoon when the word came that an opportunity had been missed by him or did not come to him all the way that would have made him President of the United States. He had not one word of bitterness or expression of ill feeling toward anyone or anything. But I know that he looked upon it as an opportunity of service and if it was not coming to him at that time so might it be.

I like to think of the late Senator Carl Hayden. Someone pointed him out to me when I came here as being one of the very wisest, if not the wisest, man in the membership at that time. So I sought him out and got his counsel, repeatedly talked to him about various things, the state of the Union, problems of the country, as well as the personalities in the Senate.

I remember one day he told me. He said: "I have been around here a long time. I have seen a lot of them come and go."

He was talking about new Members of the Senate. He said: "Some of them grow and some of them just swell."

That was his rugged philosophy, analysis, and summary of the situation.

I have not found anything that is more descriptive nor more truthful.

Henry Jackson and I sat either next to each other or almost next to each other for over 30 years in the Armed Services Committee, and I saw the man grow. You could feel it. But I had a day-to-day contact with it.

In many fields he made a positive contribution. I never heard of him being an object of controversy or getting personal in matters of policy. I have heard him quoted hundreds and hundreds of times on many subjects strictly on the merits, and that is what I call growth.

Few men are endowed with the capacity to be knowledgeable and an expert in the many fields of the problems of life and, therefore, the problems of Government, as was true with Senator Jackson.

It seemed to me that that capacity in many fields that he had, which was never abused, but rather used constructively, added up to the superior quality that we all seek in public life, especially added up to judgment, as he was a man of tremendous judgment on many, many different subjects and always thought out with a foundation of meaning and an application to the problem that he was contending with.

So I can say that he was always constructive.

If you went looking for help in a field involving a chance for something constructive, you just thought why not go to Henry Jackson, because he thought and acted, planned and acted in terms of trying to be constructive, trying to make a contribution.

I commend his record and his attitude to the youth of the land, and that includes new Senators who come here who have a chance to lay the foundation and carve out a career, to use him—none of us are perfect—but to use him as a model by which to guide themselves and develop in some fields, maybe not try as many as he was excellent in—few men have that capacity—but all Members can make a special contribution in one or more fields.

So I commend him to those who come to this body and try to make a contribution.

I wish to mention here his charming wife Helen, whom I learned to know and respect very highly indeed, and those who had a chance to know her better than I did, have spoken about her. I was in a position that I could not go to the funeral, so I called her up on the telephone. The clarity of her thought, the possessiveness that she had command over the situation continued to impress me most favorably indeed, and I believe and I hope God will bless Helen and their two fine children. They deserve it on the merits and will earn it anyway many times over.

Mr. President, I could go on at length. Many fine tributes have been paid her also, and they are sincere. This is no form nor forum that the Senate is providing. These tributes are real. They are on the merits. They are deserved.

And I am proud that we have a man whose record was made in my time, my generation, for my people who are living now had a chance to know about it and appreciate it and through their representatives to express themselves on this subject.

I remember many times of crises also. He knew more about military preparedness I think, and I speak with all deference to the other Members, because we have many who have been very, very useful indeed, but I believe all the way around, everything considered, he had the best knowledge of the practical side of military preparedness of any Member who we have had here in the recent past, and he had a tremendous knowledge, and I do not see how he was so well versed in so many subjects with respect to the problem of energy.

He made a splendid contribution here with reference to an understanding of the problem and the passing of a bill that was a forerunner, a foundation, for the legislation that will come in the future in this highly important field. That bill, that Department, has been deemphasized now, but that problem has not been solved and it will come back, and we will find, whoever is here will find, that the path laid out by Henry Jackson in that early legislation, to which many others contributed in the House and the Senate, was a sound approach, a good foundation laid, and it will be the basis of what will be policy in the long run.

I am willing to conclude these remarks, Mr. President, now, but I am not willing to give up for one bit in my great esteem and appreciation for the fine legislative record that this gentleman made during this period, and I do not want the principles that he stood for to be abandoned but rather to be followed.

I remember when I first came here a Senator was speaking; a Senator who had been here some years said to one who had also been here a good while, "Does he know what he is talking about? referring to the speech being made, and the reply was "Yes, he almost always does."

I took that as a fair warning, and I can say in summary here that Senator Jackson's speeches, his position and all, were always based on facts, and he knew what he was talking about.

May his soul rest in peace and his example be followed.

EULOGY BY MR. GORTON

Mr. GORTON. Mr. President, it is with both great sadness and a deep sense of honor that I rise to memorialize my senior colleague in the U.S. Senate, a dominant figure on the national political landscape, the leading statesman of my home State, who served its people as an elected officer for almost 45 years; and a man who was esteemed, admired, and loved by his colleagues in this body for more than 30 years, the Honorable Henry M. Jackson.

Today, we celebrate his life and his service. Henry Jackson was not a man who would have sought public eulogies or commemoration. He preferred the quiet accomplishment of legislation passed, agreements reached, and the people protected and defended. He would have regarded these as his true memorial, as indeed they are. It is, nevertheless, well to remind ourselves of the nature of this man and of the magnitude of his accomplishments, and to record them for those who did not know Senator Jackson, that they might understand how he came to a place of such high standing in his colleagues', and his countrymen's eyes.

Born the son of Norwegian immigrants, Scoop Jackson's life personified the glory and unlimited opportunity of the American experience. A man who worked to put himself through school, he rose purely on the merits of his own intelligence, diligence, and caring. It is a little old fashioned today to tout the character-building aspects of hard work and self-reliance, but no one who knew Henry Jackson ever doubted their truth.

Shortly after finishing law school, Henry Jackson was elected prosecuting attorney of Snohomish County, Wash. Two years later, at 28, he was elected to the Congress, and he spent the rest of his life in this institution. His career in the Congress spanned the administrations of nine Presidents. He arrived during the New Deal era of President Franklin Roosevelt, served with distinction for a dozen years in the House of Representatives, and for more than 30 years in the Senate. During that period, Henry Jackson participated in virtually every great national debate of his time. Never a man to bend with prevailing political winds, his

basic positions changed little over the years. His entire career is testimony to his certitude that clarity and consistency of purpose serves one's country far better than adherence to transient political trends.

For what shall we remember Scoop Jackson? Each Member of this body, each friend, will have his private answer to that question. But surely any public accounting of the man will recall first and foremost his deep love of country, its people, and its institutions. Henry Jackson was a true patriot.

While Henry Jackson occupied himself with the business of the whole world, he never forgot his origins. He drew his strength from the working people of Everett and the lovely farms and towering mountains of Snohomish County. He never forgot the friends of his youth.

His was a love of country born of knowledge of its people and commitment to its values. Henry Jackson was a man with the strength to defend what he loved. His recognition that his country was not perfect never led him to doubt that it is the last, best hope of Earth, and his abiding faith in the people and principles of this Nation were a source of steadfastness and resolution to which all good people could repair during times of uncertainty.

Always a firm believer in a strong defense, even when this was not a popular position, Henry Jackson never forgot what he witnessed as a young Congressman just preceding and during World War II. After a visit to liberated Buchenwald, he had no illusions about the fundamental and permanent conflict between the United States and the forces of totalitarianism. He worked constantly to remind his fellow Senators and citizens of the overriding necessity to assure that America would always be strong. His straightforward love of country was an example for all of us.

That experience at Buchenwald also burned into Henry Jackson's conscience an impression of the Holocaust which made him an unwavering defender of the right of the Jewish people to a homeland in an Israel strong enough to defend its independence, and the right of Jews and others everywhere to leave freely the nations which persecute them. Israel had no firmer friend.

Senator Jackson will also be remembered for his unrelenting defense of the civil rights of other persecuted groups. During the worst of the McCarthy era, when panic and fear threatened the reputations of many decent men and women, Henry Jackson, then a newly elected Senator, had the courage to stand up against public panic, and to remind Americans of the real threat posed to the civil liberties of many Americans.

Senator Jackson was a leading defender of all who are persecuted for conscience throughout the world. His activities took the form not only of speeches and reminders of the violations of human rights in the Soviet sphere, past and present. But also of legislation which translated that outrage into concrete action. Scoop Jackson reminded the world that the United States is heir to, and of necessity defender of, a tradition in which securing basic human rights for all people is an inseparable cornerstone of foreign policy. On issues of basic human rights, Scoop knew that the securing of the rights of "life, liberty, and the pursuit of happiness" must remain forever a goal of the United States.

Senator Jackson also left us a record of real achievement in protecting our environment and our natural resources. In this course, he was led by the environment in which he grew up, and by his sense that we are all the trustees for all future generations of Americans. One of his landmark achievements was the National Environmental Policy Act, passed in 1970. But this was only a part of Senator Jackson's legacy. In my home State, we have a beautiful national park—the North Cascades National Park—which will stand for all time as a monument to Senator Henry Jackson.

But Scoop Jackson also knew that we grow, gain strength, and provide opportunities for our people by a proper development of our resources. Irrigation and water projects along the mighty Columbia River owe a great deal to Henry Jackson. He brought balance and reason to debates too often inflamed by rhetoric and passion.

Balance and reason were always characteristic of Senator Jackson. He was a curious and intellectual man with wide-ranging interests and a healthy respect for the facts. As this is visible in his legislative history, so also was it apparent in his personal style. My friend Scoop always wanted to know more, to understand more. To solicit another reason he was constantly asking questions, not rhetorically, but from a burning desire to learn.

Henry Jackson's public record is well documented. He has permanent living memorials across the Nation and around the world, in the cherished memories of all those who love liberty, and the democratic process. Senator Jackson was a man who elevated the meaning of the word "politician".

What is not a matter of public record, but is engraved on the memories of those who knew him, was the man's great humanity. Scoop Jackson was never a man who allowed important responsibilities to inflate his own view of himself. He was a man impatient with pomposity, and generous with his warmth. How often, and how easily, could Scoop Jackson put a gathering at ease with a humorous comment, directed most frequently at himself.

Henry Jackson was in all things a man of the people. Although he spent a lifetime in our Nation's Capital, he did so without ever leaving the countryside of Washington State. He knew and was known, in every town and county. Congressman Al Swift tells of driving with Scoop Jackson along the back roads near Silvana, in Snohomish County, relating the names of each of the owners of the farms and pointing with special relish to the home of a Republican farmer, who, said Scoop, "voted for me for prosecutor."

Perhaps I may be excused for being somewhat less thrilled by that anecdote than Congressman Swift was.

The sense of loss in Washington State now is personal and immediate, even for many who never met Scoop Jackson but felt that they nevertheless knew him, and he, them.

Senator Jackson leaves another personal legacy: A legion of men and women who worked on his staff and his campaigns over more than four decades. These men and women are scattered now across the country, around the world, and throughout the State of Washington, some in public pursuits and some in private. All were changed by their association with Scoop; all are the larger for it.

As Tom Foley, now majority whip of the House, put it, "For all of us who served him, it will remain to the end of our days a matter of enormous pride."

Finally, his intimates knew him as a devoted family man. He came to marriage and family relatively late in life, and no doubt this fact heightened his appreciation of both. We, in the Senate, may have thought that Scoop belonged to us; his family knew better. No one who attended Senator Jackson's funeral and listened to Anna Marie and Peter Jackson pay tribute to their father eloquently, thoughtfully, and emotionally could doubt what Henry Jackson meant to his children, or his pride in them.

No one who has ever basked in the sunlight of Helen Jackson's joy, strength, and peace could doubt Henry Jackson's deep love for her, or hers for him.

Today, Mr. President, we pray for the country and for the Senate. But an additional special prayer must be said for his wife, Helen, his daughter, Anna Marie, and his son, Peter. The time has long since passed when Scoop was theirs alone. We thank them for sharing him with us.

And now, Mr. President, I ask your indulgence for a few more personal remarks. Although I first met Senator Jackson more than 20 years ago, I came to know him well and personally only beginning with my election to this body.

Senator Jackson was a friend, admirer, and fierce supporter of Warren Magnuson during all of Senator Magnuson's career. He chaired mot of Senator Magnuson's campaigns, including his last. But within the hour of the declaration of my victory, Scoop Jackson called me, congratulated me warmly, and offered his guidance and support for me in this new challenge.

From that day until the day of his death, we never exchanged a harsh word. We met constantly to consider and to advance the interests of our constituents without exception, to the best of my memory, we joined in every initiative designed to promote the betterment of our State. The blood of friendship and respect was thicker than the water of partisanship.

I knew Henry Jackson as an example to emulate, a friend to delight in, and a wise counselor to whom to turn on occasions too numerous to count. I will miss his company deeply and forever.

Mr. President, it has been said that a contitutional statesman is a man of "common opinions and uncommon abilities."

We may be forever grateful to Henry Jackson that his compassionate but practical world view is now as prevalent as it is, for it was in large measure his uncommon abilities which helped to guide us to this point in our history as a people. It is for us now to remind ourselves and our children of the virtues of patriotism, courage, and humanity which made Henry Jackson so great; to rededicate ourselves to these virtues; and to give thanks that we were allowed by our Creator to be changed and enriched by his company.

COMBATING INTERNATIONAL TERRORISM

Mrs. HAWKINS. Mr. President, a very important meeting was held recently in Washington, bringing together hundreds of world experts on international terrorism.

The Jonathan Institute, an organization named after the late leader of the Israeli rescue mission in Entebbe, and formed to attack modern terrorism, sponsored this international conference to discuss different methods of

dealing with this escalating, worldwide, problem.

Mr. President, there is no one who scoffs any more at the contention that this problem affects each and every one of us. Everyone has been forced to take very seriously the problems posed to our society by a disturbingly organized group of international terrorists. A uniformity of concern was voiced by all involved in the conference; not only in the impressive talk of Secretary of State George Schultz, but also in the deliveries of FBI Director William Webster and other speakers dealing with terrorism on a national level.

Secretary of State Schultz revealed the firm views of the administration on this issue when he said: "The international links among terrorist groups are now clearly understood. The Soviets use terrorist groups for their own purposes, and their goal is always the same: to weaken liberal democracy and undermine world stability."

Secretary of State Schultz thus forcefully assigned responsibility for this problem to where it should be assigned. He then eloquently outlined strategies to combat the Soviet use of terrorist groups for the purpose of destroying our society.

When FBI Director William Webster spoke to the conference participants on domestic terrorism, he expressed satisfaction with the current state of the law governing counterterrorist operations. Director Webster was encouraging in his claims of declining terrorist incidents within our borders; for example, the halting of murders by American terrorists and the stopping of the activities of the Puerto Rican group FALN on the mainland.

This group of antiterrorist experts, including Secretary of State Schultz and Director Webster, proved itself to be more ideologically forward than ever before in connecting terror to larger political battles, and in making sure that the Western view of terrorism as a crime without justification should be made the thinking of the world as a whole. Indications were clear, on the part of those responsible for battling this ever-present problem, that confidence is increasing in the ability to gain ultimate victory in the war against international terrorism.

IN SUPPORT OF RATIFICATION OF THE GENOCIDE CONVENTION

Mr. PELL. Mr. President, the President today has announced the administration's support for ratification of the Genocide Convention. In so doing, he joins every President since Harry Truman in urging the Senate to give its advice and consent to the Genocide Convention.

In December 1981, the Foreign Relations Committee held its 11th public hearing on the Genocide Convention. At that time the committee deferred action on the Convention, pending the outcome of a review of the Genocide Convention by the administration.

Just this past May I urged the Secretary of State to complete the review as quickly as possible so that the Senate might be able to act before the end of this year. Needless to say, I am delighted with the outcome of the administration's review and I commend the President for his decision.

With the backing of the administration, it is my hope that the Senate will take up the Convention before this session ends next month. The Genocide Convention has been pending for over 35 years. With the President's historic decision, we now have an opportunity in the next month to resolve this issue. It is long overdue for the United States to join the rest of the world in making genocide—the most abhorrent of all acts—a crime under international law.

TRIBUTE TO DR. WALTER GRADY BISHOP, SR.

Mr. THURMOND. I rise today to pay tribute to a true humanitarian and good friend, Dr. Walter Grady Bishop, Sr., who died on July 15, 1984 at the age of 85. To his wife, Mrs. Martha Thurmond Bishop; and his four sons, Dr. Walter G. Bishop, Jr. of Greenwood, SC; Thurmond Bishop of Abbeville, SC; James Allan Bishop of Atlanta, GA; and Dr. Barry Bishop of Greenville, SC; and indeed the entire Bishop family, I extend my deepest sympathy.

I have had the pleasure of knowing Dr. Bishop for many years, I knew him a a man dedicated to serving others, as a physician and as a citizen. He leaves behind him a true legacy of charity, good will, as well as numerous friends and admirers.

Mr. President, it has been said that the true measure of a man is the number of friends he can claim. By that standard, Dr. Walter Bishop was a great man indeed. He took his practice of medicine seriously—believing that his mission in life was to ease the suffering and afflictions of his fellow man. He did this many times without compensation, without any payment except the gratitude of those to whom he treated and ministered. In fact, he did more work for charity than any person I have known.

Dr. Bishop's passing was more than a personal loss for me and my family—since he was my brother-in-law. His death meant the loss of a man who firmly believed that compassion and dedication to the improvement of the human condition, and helping those less fortunate than himself were moral imperatives.

Dr. Bishop was not only liked and respected in his home of Greenwood, SC, he was truly loved and admired. In addition to his wife and four sons, he is survived by this four sisters; Bertha Caldwell of Inman, SC; Gertrude Foster and Martha Cecil, both of Spartanburg, SC; Olivia Rivers of Mount Croghan, SC; and his four brothers: Claude Bishop, Horace Bishop and Woodrow Bishop, all of Inman, SC; and Robert Bishop of Easley, SC.

In order to share more about this remarkable man and his contributions, I ask unanimous consent that two eulogies delivered at Dr. Bishop's funeral by Drs. William Harris and James A. Bowers, and several newspaper articles and editorials from the Greenwood, SC, Index-Journal, and the Greenville, SC, Piedmont, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Greenwood Index-Journal, July 16, 1984]

DR. WALTER G. BISHOP

How do you put a value on the easing of pain? Comfort? Reassuring medical advice?

Such things are, without doubt, invaluable. It would be an impossible task, then, to evaluate the worth in those terms of the contributions of any physician during an average career. It would be even more difficult to do that for Dr. Walter G. Bishop. His career lasted for more than a half century, a remarkable achievement for anyone in any profession.

As Lander College campus physician for 20 years, Greenwood County doctor for 30 years and during all the years in private practice, Doctor Bishop touched the lives of thousands. So, too, did he make a lasting mark in his church. In civic affairs. In the military.

There is another facet of Doctor Bishop that should be mentioned, although it probably would embarrass him.

During the years, Doctor Bishop always went the extra mile in his profession. But, then, he did that in everything. He went out of his way to be helpful to his fellowman. In doing so, he always kept a low profile. He never sought recognition. That says as much as anything about the character of the man . . . that, and the fact that everyone who knew him liked him.

Dr. Bishop died the other day at age 85. The world will miss him, as it does all those who offer a helping hand without seeking something in return. For that is a quality too often missing from this earth.

[From the Greenville Piedmont, July 16, 1984]

GREENWOOD DOCTOR W.G. BISHOP DIES

GREENWOOD.—Dr. Walter Grady Bishop, 85, of Cokesbury Road died Sunday.

He was born in Inman, he was a graduate of Inman High School and Clemson University. He graduated in 1926 from the Medical University of South Carolina and served his internship at Baker Sanatorium in Charleston. Bishop came to Greenwood in 1927 and practiced medicine there for 51 years except for five years he served in the U.S. Army during World War II.

He served as Campus Physician at Lander College for 20 years and as country doctor in Greenwood County for 30 years. He also served as chief of staff at Self Memorial Hospital in 1965. He was a member of the

South Carolina and the Greenwood County medical associations. He was a member and former deacon of the First Baptist Church and was a charter member of the Greenwood Lions Club.

Surviving are his wife, Martha Thurmond Bishop of the home; four sons, Dr. Walter Bishop Jr. of Greenwood, Thurmond Bishop of Greenwood and Abbeville, James Allan Bishop of Atlanta, and Dr. Barry Bishop of Greenville; four sisters, Bertha Caldwell of Inman, Gertrude Foster and Martha Cecil, both of Spartanburg, and Olivia Rivers of Mount Croghan; four brothers, Claude Bishop, Horace Bishop, and Woodrow Bishop, all of Inman, and Robert Bishop of Easley.

[From the Greenwood Index-Journal, July 16, 1984]

DR. W.G. BISHOP DIES AT AGE 85

Dr. Walter Grady Bishop, 85, of Cokesbury Road, died Sunday at Self Memorial Hospital.

Born in Inman, Sept. 6, 1899, he was a son of the late William Whitner and Essie Ann Hall Bishop. He was a graduate of Inman High School and Clemson University. He was a 1926 graduate of the Medical University of South Carolina and served his internship at Baker Sanitorium in Charleston. He came to Greenwood in 1927 and practiced medicine for 51 years with the exception to the five years he served in the U.S. Army during World War II. He retired from the Army Reserve as a lieutenant colonel. He served as campus doctor at Lander College for 20 years and as county doctor for Greenwood County for approximately 30 years. He also served as chief of staff at Self Memorial Hospital in 1965. He was a member of the South Carolina and the Greenwood County Medical Associations. He was a member and former deacon of the First Baptist Church and a charter member of the Greenwood Lions Club.

Surviving in addition to his wife, Martha Thurmond Bishop of the home; four sons, Dr. Walter Bishop Jr. of Greenwood, Thurmond Bishop of Greenwood and Abbeville, James Allan Bishop of Atlanta, Ga., and Dr. Barry Bishop of Greenville; four sisters, Mrs. Bertha Caldwell of Inman, Mrs. Gertrude Foster and Mrs. Martha Cecil, both of Spartanburg and Mrs. Olivia Rivers of Mt. Croghan; four brothers, Claude, Horace and Woodrow Bishop, all of Inman and Robert Bishop of Easley; six grandchildren.

Services will be at 6 p.m. Tuesday at the First Baptist Church with Dr. J. William Harris and Dr. James A. Bowers officiating. Private burial will be in Greenwood Memorial Gardens.

Sons will be pallbearers.

Honorary escort will be the medical and nursing staff of Self Memorial Hospital.

FUNERAL SERVICE FOR WALTER GRADY BISHOP, SR.

(By Dr. James A. Bowers)

On Sunday, the people of Greenwood witnessed what seemed to many of us to be the passing of an era. Dr. Walter Bishop, a doctor of the old school, perhaps the last in our midst, died about noon Sunday. I do not say this to pit one philosophy of medical practice against another or to judge the merits of either; I simply acknowledge the difference between the two. He was an old time family doctor and general practitioner, loved for his dedication to his patients, in fact to all who suffer, admired for his excellence as a practioner, and appreciated for his consideration in matters of remuneration. Walter Bishop was a good man. In the estimation of many of us, he was a great man.

Much progress has been made in the field of medicine. I think most say people are amazed at the knowledge of the marvelous discoveries that have been made and the seeming miracles that are being accomplished. Medicial care is now the privilege of most in our country. We hail these advances and we hail those who have taken up these banners to achieve further miracles. But we also recognize the value of contributions made by men who went before us in the field of medicine.

Dr. Bishop embodied an impressive expression of some personal characteristics that are of value for all of us. We do him and ourselves honor as we review some of them and think of the contributions he made.

Perhaps his most outstanding characteristic was found in his attitude toward work. He was reared with a deep respect for the so called Protestant work ethic. His practice came first; manual labor came second. He loved his garden and his home. He loved to share the fruits of his garden with others. Work was his recreation. He enjoyed it, he demanded it of his sons. And it was in their work together that they learned much of the philosophy that was his.

His work, however, was not simply for the purpose of amassing material things, for his happiness was not dependent upon the material. He had learned that happiness came not from getting what you want but from wanting what you've got. I think he understood well the Apostle Paul's verdict, "I have learned in whatsoever state I am, therewith to be content." The same apostle speaks in Romans 8 of the relative unimportance of the material. "So, then, brethren, we are debtors, not to the flesh, to live according to the flesh: for if you live according to the flesh you will die, but if by the spirit you put to death the deeds of the body you will live. For all who are led by the Spirit of God are the sons of God. For you did not receive the spirit of bondage to turn again to fear, but you have received the spirit of sonship. When we cry, "Abba, Father", it is the Spirit himself bearing witness with our spirit that we are the children of God. And if we are children, then we are heirs, heris of God and joint heirs with Christ, if so be that we suffer with him that we may be also glorified together." He knew that he was a son of God, set in the midst of many sons and daughters of God in a family relationship. He knew he was a part of God's family. Consequently, he was a man for whom most relationships were intimate. This was certainly true with this sons. There was a closeness there that was fascinating. As one of them said, "Dad was the sort of man who demanded respect, or rather who earned that respect." As I have thought of that, it seems to me that he received respect because he respected others, his sons as well as his peers. In his later years we have seen a remarkable relationship with these boys. What a commentary it is to see a 78 year old father, in poor health, seated on the back of a BMW motorcycle behind his son, speeding through the mountains of North and South Carolina, trying to outrace a thunderstorm that was rapidly coming at them from behind—and they won. And what a sight to see four boys putting their elderly father in a chair and taking him out to the beach, placing the chair in the surf so the father could dangle his feet in the waves. There was mutual trust and respect between father and sons.

Since he had only boys of his own, I think he was delighted when those boys went out and found and brought home lovely wives. He welcomed them with open arms and with a love that was unbounded. And they loved him. Then when his grandchildren came, his joy knew no limits.

Martha and Walter had a beautiful and unique relationship. Their approaches to many things were quite different but their respect and love for each other were quite deep. With what loyalty and devotion Martha waited on him and ministered to him these last few years of his life.

His relationship with his patients was intimate, too, in the better sense of that word. How often have we heard people say, "Dr. Bishop is like a member of our family." He was not afraid to love people and to trust himself to them.

I suppose the most frequent comment we heard about Walter was concerning his compassion. How frequently he manifested that compassion in his ministry to those in need. Martha was telling us this week a story that seems to be very typical of the man. It was years ago, rather late one night when an elderly black man from down at Buzzard's Roost, it was called then, called Dr. Bishop on the phone and asked him to come see his wife who was quite ill. The man told Dr. Bishop he could come only as far by road but that he would meet him there and take him on to his home. Martha drove the Doctor down there and soon after they arrived the old man came riding up on his mule. Dr. Bishop got out of the car, took his medical bag in one hand, a lantern in the other, climbed on the mule behind the old man and they rode off into the dark on their errand of mercy. "This", said Martha, "is a picture I will never forget". Nor will we forget it either, Martha.

This sort of dedication characterized his service to the students at Lander College for twenty years and to the prisoners and employees of Greenwood County for thirty three years and to young men preparing to enter military service.

And so we say "Farewell" to a legend. But to more than a legend, a friend. And he was our friend. He has said, as few others have been able to say, "I never met a man I didn't like." And maybe that was the source of most if not all of the traits we have been talking about. We shall live our lives as we must in the light of new information and a different social environment, but we shall be grateful to Walter Bishop for the life he lived, for the lessons he taught and for the love we shared.

FUNERAL SERVICE FOR DR. WALTER GRADY BISHOP, SR.

(By Dr. William Harris)

Our Lord said, "I am the resurrection and the life; he who believes in me, though he die, yet shall he live, and whoever lives and believes in me shall never die." (John 11:25-26). In this hope of life that is eternal and complete and in this assurance of the sustaining presence of Christ, we gather this evening before our Heavenly Father who knows our need and stands ready to receive and guide us. Let us pray:

We come to you, our Father, freely expressing our feelings of grief and loss. We come because we believe in your infinite compassion for us and because we are certain of your identification with our hurt and pain. We know that you understand us

and that you care for us. And so we pray for the peace and the consolation that accompany an awareness of your presence.

We come to you, our Father, readily confessing that we have many unanswered questions and many unresolved feelings about death. We believe, however, that nothing separates us from your love. We believe that you are the Creator and Sustainer of this life and the life to come. And so we pray, if not for answers to our questions and removal of our pain, for grace to endure and to be strong.

We come to you, our Father, opening ourselves to your help and giving ourselves in worship. We believe that in communion with you there is peace, hope, and joy for any situation.

Together we offer the prayer that Jesus gave us, saying, "Our Father, who art in heaven, hallowed be Thy name, Thy kingdom come, Thy will be done on earth as it is in heaven. Give us this day our daily bread, and forgive us our trespasses as we forgive those who trespass against us, and lead us not into temptation, but deliver us from evil. For Thine is the kingdom and the power and the glory, forever, Amen."

As family members and friends of Dr. Walter G. Bishop, Sr., we have gathered here this evening to share a loss and to reaffirm our common hope of eternal life. Somehow, though, I believe that we are not here merely to commemorate a death but to celebrate a life—a life of love and service, a life representative of lasting values.

Jesus did not simply teach his followers how to die (though in him we are able to face physical death with hope): he taught us how to live. "I have come," he said, "that men may have life, and have it abundantly." (John 10:10). Insofar as we live by his teachings and follow his example we come to experience life as God intended it to be.

We are still trying to learn what it means to be a person for others, as the manner of Christ directs us. We are slow to understand what he meant when he said, "The Son of man came not to be served but to serve" (Mark 10:45); we find it hard to take seriously his penetrating observation, "As you did it to one of the least of these my brethren, you did it to me" (Matthew 25:40); we are made uncomfortable by his challenges, "This is my commandment, that you love one another as I have loved you." (John 15:12). Yet therein lies the secret of real life.

I think Dr. Bishop had discovered this secret. His concern for people, his dedication to his profession of healing, his appreciation for the earth, his love for family and friends, his trust in God all point to a life that we can only call "abundant," a life worth celebrating.

Such qualities, I am convinced, are not damaged by death. The person of faith and love moves on toward ever deeper fulfillment. Here we work and anticipate. With our Father on the other side we grow toward completion.

Thus we find deep meaning in the words of Jesus: " 'Let not your hearts be troubled; believe in God, believe also in me. In my Father's house are many rooms; if it were not so, would I have told you that I go to prepare a place for you? And when I go and prepare a place for you, I will come again and will take you to myself, that where I am you may be also. And you know the way where I am going.' Thomas said to him, 'Lord, we do not know where you are going; how can we know the way?' Jesus said to him, 'I am the way, and the truth, and the life; no one comes to the Father, but by me.' " (John 14:1-6)

HENRY M. JACKSON

Mr. MOYNIHAN. Mr. President, just over 1 year ago, on September 2, 1983, we learned of the sudden passing of our colleague, Henry M. Jackson, late the senior Senator from the State of Washington. As this is the first day the Senate is in session since that sad anniversary, I would like to commemorate the day by recalling my friend, Scoop Jackson.

He was, as Yeats once wrote of another, a man who was "blessed and had the power to bless."

Those many of us who called him friend, who were touched by the abounding grace and compassion he brought to every day of his long and full life, mourn this anniversary of his passing with special regret. For as his was a Viking's heart, vigorous, courageous and confident, yet ever gallant, gentle, generous, he was able also to impart these qualities to those with whom he worked and lived. To know Scoop Jackson was to be forever changed by him.

And in his absence, we wonder if we are yet equal to the standards we set for ourselves when he was among us, encouraging and enabling us all to be as full of goodness and as capable of hard work as we were when he was here. We are trying to fight the good fight, but it is harder without Scoop.

I refer to the papers of another friend of Henry Jackson, President John F. Kennedy, whose official papers include, after the inaugural address, and the exchange of greetings with the Soviet Union, a transcript of remarks at the meeting of the Democratic National Committee on January 21, 1961. At this meeting, Senator Jackson stepped down as chairman of his party, a post he had assumed in order to run the campaign and win the election for his friend and colleague. Now, as President, Jack Kennedy recounted this and thanked him and ended saying:

> So I hope we will all stand up and give a good cheer to Scoop Jackson.

Let us do that today in our hearts; and may the echo linger.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. QUAYLE). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

FINANCIAL SERVICES COMPETITIVE EQUITY ACT

Mr. BAKER. Mr. President, as I indicated before we adjourned and again this morning in colloquy with the minority leader, it is my intention to try to reach the banking bill. Ordinarily, I would try to do that by asking unanimous consent to proceed to the consideration of the bill, but once again, based on colloquy this morning and the statement of a number of Senators, it is clear that that unanimous consent request would not be granted, which I understand. But, as I also indicated this morning, in face of certain objection to that, I do feel obligated to ask the Senate to turn to the consideration of that bill.

Therefore, I move at this time that the Senate proceed to the consideration of Calendar Order No. 1056, S. 2851.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

Mr. MOYNIHAN. Mr. President, with great regret, I must object to that.

The PRESIDING OFFICER. The motion is debatable.

Mr. MOYNIHAN. May I speak to the motion?

The PRESIDING OFFICER. The Senator is recognized.

Mr. MOYNIHAN. Mr. President, of the many issues which Senate bill 2851, the Financial Services Competitive Equity Act, raises, there is none which to my mind is more essential, because it is constitutional in its import, than that of title X of the bill.

Title X, in the view of this Senator, is an attempt to win congressional endorsement of faulty State legislation that would enable regional banking compacts to be formed which would include some States and exclude others, and to do so in a manner which, in the view of this Senator, violates the expressed provisions of the Constitution, or at least must be made to comport with those, but much more importantly violates a clear spirit of the Constitution which is opposed to the notion of individual States making arrangements with one another that exclude the participation, in whatever the issue involved, of other States.

There were many matters that concerned the framers of the Constitution. They all basically came to the question of how do you create a Federal union? And if there was one experience which had developed under the Articles of Confederation and which indeed led to the Philadelphia Con-

vention, it was the experience of States getting together for purposes of establishing advantage for themselves and disadvantage for others, that combined with the increasing disposition, as the economics of the 1780's developed, of States to impose what were, in effect, tariffs protecting their economies, excluding the economies of others, and defeating the idea of a nation.

I speak as a Senator from New York State, which, in the 1780's, taxed the importation of firewood from Connecticut. And such examples are many and I will speak to them in some detail. But the provision in the Constitution is explicit. It comes in article I, section 8, which gives, in the first instance, in the commerce clause, Congress the power "to regulate commerce with foreign nations, and among the several States." That is a positive grant of power to the Congress.

There is further a negative statement with respect to the powers of the States in the compact clause. That clause provides that, "No State shall, without the consent of Congress, lay any duty of tonnage, keep troops, or ships of war in time of peace, enter into any agreement or compact with another State, or with a foreign power, or engage in war, unless actually invaded." The Constitution, thus, prohibits a State from entering a compact with another, save as permitted by the Congress—a very large assertion of national power by the Philadelphia Convention and an urgently necessary one.

The experience of the United States under the Articles of Confederation had been replete with efforts interfering with interstate commerce, and the whole state of commerce under the Articles of Confederation had become, in the words of James Madison, "a national embarrassment." Indeed, and I quote again, "an imbecility."

The States under the Constitution of 1787 had retained the right to impose tariffs and imposed them on goods and services from other States and foreign countries and a generally chaotic system of interstate commerce was the result. We had no equivalent experience during the colonial period, and it was very clear that it was a provision of law in the basic law of the Articles of Confederation that made it possible.

As I said earlier, New York State taxed the importation of firewood from Connecticut. It taxed vegetables from New Jersey. And this kind of activity was rife throughout the 13 previous Colonies, 13 States, and was bringing the Nation to a point of paralysis. We were not able to govern. We were not able to grow. We had to change our basic law, the Articles of Confederation, and we did so.

We remember that the issue that brought the delegates to Philadelphia in 1787 was a narrow one. We remind ourselves also that their work was wide and fundamental and sweeping and in no measure was it more explicit than in the prohibition of compacts among States, save in the presumed rare occasion in which the Congress would give its permission. It was explicitly provided in article 1, section 10 of the Constitution, and it was wise counsel, and it has remained wise practice through the years.

And that is why there was a very considerable distress and concern evidenced in more than one part of the Nation when a number of States in different regions began to establish interstate banking compacts providing reciprocal privileges for banks in the members of the compact, in the member States, and excluding similar banks in other States.

It is exactly the paragon of the economy of the 1780's reappearing in the 1980's, two centuries later, and for the same reasons, same shortsighted sense of what can provide an advantage to one region over the other in disregard of the well-being and welfare of the country itself.

The banking compacts of which I speak are elementally of this order. They are anticompetitive in their purpose and anticompetitive in their effect. They have no other reason for being than that—to broaden a base of inclusion in order to expand a region of exclusion. Permitting banks in a region to merge or to acquire one another but to bar banks outside the region from participating in the building is elementally an anticompetitive measure. It limits the number of possible bids for a bank to the banks within the region of the compact and denies the holders of stock in those limited number of banks the better price they would presumable get for their shares if it was a larger market bidding.

These are elemental, again to say, principles of the market place, and we are talking here of a marketplace. The services of banks are not different from the services of any other organization, and, indeed, it is their practice to refer to their services as products. And if the area of competition is restricted, you have the same restrictions on commerce which have animated this Congress from the time of the Sherman Antitrust Act in the 1880's when, again, not as a matter of State action, but as a matter of individual corporate and trust behavior you began to see limits on competition, monopolies, oligopolies, and trusts restricting entry into an economic activity, and as a result rising prices and profits for one group to the disadvantage of others, and to the disadvantage of the Nation.

The local mergers within a regional compact reduce the competition both for deposits and for loans. If there are only a limited number of banks in which you can deposit, then the rates of return on deposits are necessarily affected by the absence of competition. Also, if there are only a limited number of banks from which loans can be made, the rates of interest paid on those loans are equally affected, and to the detriment of borrowers. Both lenders and borrowers are worse off than they would be, or at least worse off than they would presume to be in a more open, much less a fully open market.

These are not new principles to this body. We began with a Constitution organized as much as anything around the need to see that there was a broad national economy unimpeded by barriers of one kind or the other as between the States or the regions. We were not only conscious of the States in the Constitution-making period of our country. We were more than conscious of regions also. The North had a different economy from the South. It had different interests, and as these were manifest, they produced the different kinds of barriers of which I spoke.

The west trans-Appalachian region was beginning to have its own distinct economic interests, requiring a response within the Constitutional Convention and within the debate over the ratification of the Constitution that followed. Still, that Constitution was overwhelmingly ratified. Eleven States were required, and they came forth. The sense that the national interest was clear here was very much more vivid—it may be—to those men than to the legislators of this time for the very fact that they had come fresh from the experience otherwise, and, indeed, had convened in Philadelphia for the expressed purpose of overcoming that previous set of conditions.

Just so in the late 19th century the rise of corporations, of trusts, of monopolies, and of oligopolies have to the Nation a sense of what such reduced competition meant to the economy at large, whatever it may have meant to the prosperity and advantage of the individual corporations and their managers.

We came to the floor of this body and in this very room determined, under the direct leadership of Senator Sherman, to put an end to practices that were putting at risk the economic well-being of the country, and never to be excluded—although happily more and more receding now, but in a period that followed a civil war never to be excluded—the question of regional diversity and the need to maintain national unity in the face of that diversity.

Regional compacts in the banking industry—banking, which has always been so sensitive an issue in our Nation—regional compacts are only the most recent manifestation of this

tendency but scarcely for that reason any more welcome.

We could talk a lot about banking in this Congress. I think it would be fair to say that of all the political issues that arose in the 19th century in America, there were only two of great importance that we were not able to resolve in that time. There was, first, the question of the enfranchisement of women. It was certainly a matter that arose as early as the women's rights convention in Seneca Falls in New York in 1848, and it was still very much an issue as the century ended. It was soon to be resolved, however.

That issue apart—and it was a larger issue because it involves the rights of citizens—the only other issue we never really resolved was the question of who has the power to create money in the United States. That issue was present at the beginning, when early in the administration of President Washington, Alexander Hamilton proposed the creation of a national bank. And the national bank would create money as a central power to any economy, and as a power central to the function of the economy. Jefferson opposed that measure.

It was Washington's practice when there was a difference within his Cabinet to defer to the member of the Cabinet who had the closest responsibility for the subject, and the national bank was established in 1791. It was chartered in 1791 for 20 years. The charter expired in 1811. An effort to renew it was defeated by a tie vote in the U.S. Senate with former Governor Clinton—then Vice President—casting the vote against. And that meant we were just in time for the War of 1812 and that the Federal Government had no way to manage its finances during that time.

In 1817, responding to that experience, we rechartered the national bank. And the 20 years went by just in time to be a central issue of Andrew Jackson's administration, when he was running against the bank, campaigned against the bank, and saw its demise in 1837.

After that, the rates varied. There was paper currency. There was bullion. I do not doubt at some point wampum made its reappearance in our marketplaces. The matter went roaring on. The century ended with William Jennings Bryan demanding that we not press down a crown of thorns on mankind nor crucify him on a cross of gold.

After the panic of 1905—and economic downturn from that long century was primarily associated with instability in the banking system—we adopted under the leadership of Senator Aldrich of Rhode Island a compromise measure which allowed States to continue to charter banks but created a national bank, the Federal Reserve Bank, with certain powers over those banks which wished to have national charters, and some elemental control of money supply—looking to the characteristic run on the banks when suddenly otherwise viable institutions would become illiquid by virtue of a subject panic of demand for withdrawal deposits.

And so we continue to have it rather singularly. I do not know another modern industrial economy which has as varied a banking system as we do. It is one of the marks of the distinguished chairman of the Banking Committee, the Senator from Utah, that he has tried to bring at least a measure of some symmetry, order, and efficiency, at least as much as legislation can provide efficiency, to still a very confused and very much changing banking system. This legislation before us is, in many respects, an admirable piece of craftsmanship designed to further that end.

If this legislation has a general problem, I would have to say that it seems to be a piece of legislation, even though worked over carefully and in great detail over a 2-year period, which was completed before the effective collapse of the Continental Illinois Bank this summer, which has had the result of the U.S. Government becoming the owner of the eighth largest bank in the Nation, a bank which, if we would like to know the curiosities of the American banking system, was the eighth largest bank in the United States, and which happened to be all in the same building, a single branch bank. It collapsed.

It collapsed absent the movement, quick, effective, and necessary by the U.S. Government, to take over control of the bank, putting its own officers in, and putting in billions of dollars to effectively repeal the limits of the Federal Deposit Insurance System on the amounts of deposits that would be insured, in effect saying, "We will insure whatever the deposit is, regardless."

It was not that they had lent too much to foreign nations. Its loan portfolio was mainly in the United States. Even so, it was about to go into receivership. It was about to become insolvent. The U.S. Government had to rush in with the largest action of its kind in our history and end up, as I have said, the owner, in effect, of the eighth largest bank in the Nation.

It seems to me if we were going to pass a major piece of banking legislation, it ought to be crafted in the aftermath of the Continental Illinois experience and not before it. This is in no way a criticism of the chairman.

Mr. GARN. Will the Senator yield for a brief comment on that point?

Mr. MOYNIHAN. I am happy to yield.

Mr. GARN. As the Senator knows, the problems of the Continental were not unkown to the committee and the action on this piece of legislation took place after the failure of the Continental. Negotiations were made well aware to myself and the chairman of the House Banking Committee.

I would further note that the failure of Continental has been used by many who oppose this bill in many respects. I think the facts are very clear. When we get to the bill, when we finally get it up, I will put into the record a letter from the Chairman of the Federal Reserve Board. Continental has nothing to do with the legislation we are dealing with, the type of activities they were involved in, their Euroloans, their hot overnight money, and so on. They were operating in a State like Illinois where they could not branch across county lines, let alone across State lines.

It is really a very difficult situation. After we have held hearings on Continental Illinois, and after the House has also done so, we will probably end up with some recommendations, either regulatory or legislative, to deal with that sort of thing.

I did not want the Senator to have left on the record unchallenged that Continental Illinois is really the basis for this type of legislation. There are more than 14,000 banks in this country. Most of them are the kind of banks that ordinary people deal with, like the Senator and myself, who have checking accounts, mortgage accounts, NOW accounts, automobile loans, loans for refrigerators, and all of that. They have never heard of Eurodollars or $10 billion energy loans to South America. They are serving their neighborhood constituents.

This legislation is aimed at those areas, not for the few big banks or Continental Illinois. I did not want to leave the impression that somehow this legislation should have been crafted if we had known about Continental Illinois a year ago. I have been deeply involved in this legislation for 4 years on such an intimate basis I know far more than I want to know or hope to know about the banking institutions of this country, but Continental is really a separate issue.

This legislation would be the same, I say, regardless of the timing of Continental Illinois. That is a separate subject. We will have to deal with that type of institution and those sorts of problems in other legislation.

I thank the Senator for yielding.

Mr. MOYNIHAN. Mr. President, I yielded to my distinguished chairman because I wanted to hear what he had to say, and I always want to hear what he has to say.

I ask unanimous consent that my resuming my remake not be considered as a separate speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I thank the Chair.

May I say I completely accept the explanation of the Senator from Utah, the distinguished chairman. My observation went not so much to the context of this bill, as if it would be different. He said precisely it would not be different from its purpose whatever, had the experience of Continental Illinois occurred at a different point in time. It seems to me, even so, that that experience requires some response from the Congress, and I do not doubt that in time the Banking Committees will have that response.

I simply want to make this point, that this is not a normal season for American banking. This is a season in which we have observed an extraordinary event, the like of which has not occurred in half a century, although there have been a number of bank failures in recent years.

I would return to the question of regional banking compacts. Like other forms of protection, it appears to this Senator that such compacts ultimately hurt the consumer, exactly the consumers of which the distinguished chairman was speaking, by denying them the lowest prices for services, or in the case of depositors by denying them the highest rates for deposits.

There is a publication in the banking world called the Bank Rate Monitor, a weekly newsletter. Not long ago Mr. Bob Douglas, executive vice president of the Chase Manhattan Bank, reported some of the findings of the Monitor in an article in the Wall Street Journal, not an inappropriate place for these matters to be discussed.

As he reports—and I take it to be, of course, an accurate report—the Monitor found that interest rates on money market accounts offered by the major New York banks and thrift savings associations, mutual savings banks, are 15 to 34 basis points above the average rates in other markets. This is as of last February. Presumably that would be a continuing experience. Six-month certificates of deposits were running 23 to 36 basis points higher in New York than elsewhere.

Indeed, the phenomenon is not difficult to understand: Where the banks are larger and they have more resources, they are in some measure more efficient. I do not want to press my very fragile knowledge of the economics of banking, but I would assume there is a measure in which volume creates efficiencies that allows prices to lessen, to decline.

It is simply a fact that in those parts of the country where these large banks—and there will be those, as I say, banks in other nations that are not allowed to operate—consumers pay more, depositors receive less, and it is an elemental, economic inefficiency. It is elementary the problem which the framers of the Constitution addressed when they said there would be no regional compacts without the consent of the Congress.

Mr. President, it really seems to me that what we are putting in place in this movement of regional compacts is the exclusion of the major financial centers of the country—and there are more than one—from providing services and such in the largest portion of the Nation. We are denying the businesses of those regions—the consumers of those regions, the savers of those regions—the advantage of being in a national economy.

Mr. President, what has been the greatest argument of persons for rational economic policymaking as between nations in the last 70 or 80 years of the world than the example of the United States as one large free market? In the production of goods and in the sale of most services, the United States has had a continental dimension of one economy. It was our example that turned Europe to the European Economic Community. One cannot forget those debates. People looked at the United States and said, "That is what comes of having one market of that size, and we can do the same and ought to do." And indeed, they have done. Not perfectly, because the national boundaries remain very real and the political boundaries are even more real, but we are an example of what becomes of one people who have a large free market in which the diversities of region, the economics, the comparative advantages of the different regions work their beneficient effect upon the economy.

If Adam Smith were around, instead of talking about growing sheep in Portugal and growing grapes in Scotland but making the point that, on the whole, it is better to do it the other way around and trade, he would clearly say, "You can grow cotton in North Dakota and you can grow it in Maine, but it is really, on the whole, better to grow it in Arizona and do other things in Maine and North Dakota and trade between."

The same principle applies to that most elemental connecting system of an economy, the banking system. If we are going to let regional banking compacts grow up in this country to exclude some States for the benefit of others, we are simply going to legislate a tax upon the American gross national product. We are going to reduce our wealth in a predictable way, a way that has been understood, in a way that brought about as much as anything the impulse that led to the Constitution of the United States itself, with its prohibition on regional compacts.

Why do we want to do this? Are we so overwhelmed with economic efficiency, is our economy so perfectly attuned in every other respect that we would like to introduce some inefficiency, much as artists in certain cultures introduce some irregularity into their work lest it be so perfect that God be envious? I do not think we have such an extraordinary record of economic progress over the last 20 years, under whichever administration, to deliberately ask to inhibit ourselves. There is no economic case to be made. In a system that has national regulations—I mean absent the Federal Reserve Board, absent the various agencies—the Federal Deposit Insurance Corporation, the general powers of the Treasury with respect to the avoidance of monopoly—we do not face any prospect of monopoly or oligopoly. We have all the rules possible to ensure that banking remains competitive. Why do we not wish it to continue to be and to be more so?

I go back to an earlier statement. We never really learned to deal with the question of who creates money in the 19th century in America. The fact of State governments, the fact of State bank charters—I do not think it is generally recalled, but up until the establishment of the Federal Reserve Board in 1913, persons who carried banknotes, as they were called, around in their pockets were carrying around pieces of paper printed by private banks. Those banknotes might be good and might not be and when bank panics came, none was. The consequences to the economy were large, and they were debilitating; to individuals, they were disastrous. That is when we at least created a national currency. So in this century, we have a national currency.

We still have a widely diverse set of banking institutions, some 14,000 banks, as the distinguished chairman has said. And too many of them have to much protection. They do not need it. They can be perfectly efficient in doing what they do, do it just as well as others, but having it, they use it as any producer will use an advantage in an efficiency market, in a market that is less than optimally rational. And now we are bringing that legacy of State charters and State control into a regional dimension and proposing to give it congressional sanction. I do not think we need this. I do not think we would want it if we knew what we were getting.

I cannot doubt that the managers of the individual banks that have persuaded their States to create these regional compacts see it to be in the interest of their banks and in the short term—protectionism of this kind always seems to be in the interest of the actors who first get involved. But it is the economy in the large that pays the price. Do we want to impose yet another price on this economy, a self-imposed price? Two centuries after that Constitution prohibited interstate compacts, a century after we enacted the first great pro-competi-

tive antitrust legislation, are we suddenly to start introducing these principles that we have opposed over 2 centuries? I would not think so. These compacts are divisive, and they are very much against the interests of the economy as a whole, and, in the end, we are all part of that economy as a whole. It is nonetheless a fact that, once this progress begins, it spreads. Nothing is more familiary to this body than the contagious effect of protection for one industry, one region.

It is 53 years ago that we enacted the Smoot-Hawley tariff by that practice of letting that contagion spread. And sure enough, as promised by its sponsors, the Smoot-Hawley tariff reduced imports into the United States by two-thirds in the course of 24 months. Unfortunately, it reduced exports by two-thirds also, and the world went crashing into the depression of the 1930's out of which, in no small measure, the Second World War emerged.

Already in no fewer than 15 States, legislatures considering proposals to create exclusive regional banking systems which, when completed, would divide up almost the whole of the Nation into such arrangements, arrangements that were the precise purpose of the framers of the Constitution to resist.

Now, I would ask the Senate to consider this: If the States can form regional banking compacts that exclude American banks from other parts of the country from doing banking in these particular parts of the country, where will it end?

My friend, the distinguished ranking member of the Banking Committee and former chairman, who is the most knowledgeable Member of this body in matters of dairy farming, not to mention the whole range of his extraordinary capacities and experience, sits with me here in the Senate and on more than a few occasions we have talked about the problems of milk production, the surplus of milk, the fluid milk flows, and the milk that is made into cheese and other products.

When will the day appear that Wisconsin cheese cannot cross the Great Lakes region into the central New York, upper Midwest, southern New England regional compact that allows only cheeses made in that part of the country to be sold? Not that we have anything against Wisconsin cheese; those of us who know it, find it is not infrequently competitive with New York cheese, but we would deny that pleasure, or even the opportunity of learning of it altogether when our cheese compact is made.

And we can work these things out. We could not have just a cheese compact. We would have to find some particular product that Connecticut liked and produces and we do not and others do, and we would keep that out also. We would have to ask as New Yorkers that we keep California wine out, and the same with Massachusetts blueberries. We could certainly say we do not want any blueberries from the South, or cranberries. We can go on and break ourselves into fragments of a once great national economy.

And that sort of thing could happen. Efforts to make it happen occur all the time. They are not always unsuccessful. They are, to the contrary, frequently just the opposite; they are successful. The short-run case can be made for them, and the short-run case in economics not infrequently is the successful one.

But the long-term costs have never failed to show up, and in the great wisdom and strength of this country and its sense of nation, its sense of what makes sense in business, in trading, in producing, in selling, has had to keep national markets and trade to make world markets. There has not been a more eloquent advocate of free trading systems in our time than the President of the United States, Ronald Reagan, who learned this lesson as he judged it from the experience of his own country and would wish the world to share in that experience. It is something that from the time of Cordell Hull and Franklin Roosevelt we have espoused with the kind of intensity that may diminish in time, but was intent as anything could be. In the 1930's when you asked what were the consequences of barriers to trade—the answer was a disastrous depression at home and very shortly war in the world.

These are large terms, but these are also historic realities.

It seems to me, Mr. President, that to just casually undertake to give congressional sanction to a constitutional issue of regional compacts that include some at the price of excluding others is just to move in the face of the evidence and the need. I do not know how we can resolve this. It is such an elemental part of our own national experience that we do not know how it is we seem to have lost it.

Remember, the Constitution was not the first such effort to deal with this. In 1786, when the Articles of Confederation were scarcely 10 years in effect, six States sent delegates to Annapolis, MD, to discuss the specific issue of the embarrassments which characterized the present state of our national affairs. It was that Annapolis Convention which called up all 13 States to send delegates to Philadelphia the following year to "render the Constitution of the Federal Government adequate to the exigencies of the Union."

What does it mean to say, "adequate to the exigencies of the Union?"

It meant, first of all, that for there to be political unity, there had to be economic unity, and yet the political independence of the States was destroying that very economic unity and imperiling that union. It was the frustration of States over the barriers to interstate trade that led to the Constitutional Convention and the Constitution.

In 1949, our great jurist, Supreme Court Justice Benjamin Cardozo, wrote:

> The sole purpose for which Virginia initiated the movement which ultimately produced the Constitution was to take into consideration the trade of the United States; to examine the relative situations and trade of said States; and to consider how far a uniform system in their commerical regulations may be necessary to their common interest and their permanent harmony.

Mr. President, the records of the Constitutional Convention, although not extensive, and the writings of the Founding Fathers, which are more extensive, provide irrefutable evidence that the authors of the Constitution fought to do precisely this with their reference to State interference with interstate commerce and yet that is what title X of the Financial Services Competitive Equity Act prescribes. It was precisely that we would not undertake, and States would not be allowed to undertake, such regional bilateral or multilateral enterprises that we formed this Government and created this Congress. And here we are doing exactly that which we established ourselves and constituted ourselves for the purpose of not doing.

Why not? Because of the elemental threat which such activities make to the Union. I do not want to suggest that, in that time, regional banking compacts were going to pose any threat to the Union. But do not underestimate how pervasive such effects can be of a lower order but not by any means of lesser consequence.

Fractionalize the world's most powerful economy and it may cease to be the world's most powerful economy. When it ceases to be the world's most powerful economy, it will cease to be the world's most powerful political Nation. When ours ceases to be a symbol not just of fairness in the world but of effectiveness, not just of human and constitutional rights of the individual but prospects for the life experiences of the individual, we cease to be that which we have been, and that would be a change in our condition larger than any contemplated in this act. But it can begin with such an acquiescence in a practice that was abhorrent to the founders of the Nation, and has been consistently legislated against by us, in one degree or another, since we were founded.

Mr. President, I find it difficult to know why we seem to stray so from some origins so precise, so concrete, as to have allowed one to assume that they were living considerations for all of us.

Alexander Hamilton, of New York State, made this case and made the intentions of the founders clear when he wrote in The Federalist, No. 22, as follows:

> The interfering and unneighborly regulations of some States, contrary to the true spirit of the Union, have, in different instances, given just cause of umbrage and complaint to others, and it is to be feared that examples of this nature, if not restrained by a national control, would be multiplied and extended till they became not less serious sources of animosity and discord than injurious impediments to the intercourse between the different parts of the confederacy.
>
> Out of small advantage, large disagreement derives.

So, Hamilton, defending this Constitution, defended that clause in Article I, Section 8, which gives to this Congress the power to restrain by national control the natural but wrong tendencies of units of Government and regions of the economy to seek artificial advantage through the inhibition of trade and exchange. We talk here of exchange, and it is an equally important element in the country.

In an earlier Federalist Paper, No. 11, Hamilton argued for a unifed Government with what he called "unrestrained intercourse between the States." He said that as a result of freeing up the trade barriers, "the veins of commerce [will] be replenished and will acquire additional motion and vigor from a free circulation of the commodities of every part. * * * A unity of commercial, as well as political interests, can only result from a unity of government."

I shall say that once again: "A unity of commercial, as well as political interests, can only result from a unity of government."

We have learned from our experience of the Articles of Confederation. Justice Marshall, a Virginian, a nationalist, had this vividly in his mind in his decision in *Gibbons* v. *Ogden* in 1824. He wrote:

> Those laws dropped lifeless from their statute books for want of the sustaining power that had been relinquished to Congress.

Mr. President, Gibbons against Ogden invalidated, declared unconstitutional, a statute of my own State of New York which had provided an exclusive license for the operation of steamboats on the Hudson River—the Hudson River exiting into the Atlantic after flowing for some length between the States of New Jersey and New York.

Justice Marshall said that the State of New York could not so control commerce on that interstate body of water. He said the Constitution said so, the section of the commerce clause which states that Congress shall have the power to regulate commerce with foreign nations and among the several States.

So Justice Marshall, in his grand language of the time, said that those laws passed in Albany "drop lifeless from their statute books for want of the sustaining power that had been relinquished to Congress."

How can a Congress which acquired this power in that inspired moment of the understanding of the national interest, which the founders brought to fruition in Philadelphia, acquiesce today or the next several days in action wholly at odds with the spirit of the Constitution and the experience of the American people which saw the States' erection of barriers as imperiling the economic unity of the Nation on which the political unity necessarily depended?

To continue with Justice Marshall:

> It is one of the objects for which they agreed to this Constitution that they would stand on an equality in commercial relations.

The people of New York supported that Constitution, the people of Virginia did, as did the people of Rhode Island, Maryland, Georgia, and so down the list of the Thirteen Colonies.

We came to this body and began to sense the power which that unity gave to us as a people.

None more than Daniel Webster who put it:

> The commerce of the States was to be a unit; and the system by which it was to exist and be governed must necessarily be complete, entire and uniform. Its character was to be described in the flag which waved over it, *E Pluribus Unum.*

That proposition, "E Pluribus Unum," Mr. President, is inscribed in this Chamber over the seat which our distinguished Presiding Officer now occupies.

There is one statement that we, all of us in this body, confront when we stand to speak to this Chamber, the statement "E Pluribus Unum," a line from Vergil, if memory serves, not that I memorized Vergil but rather that I memorized the origins of "E Pluribus Unum" and which loosely but accurately translates as "out of many, one"—"out of many, one."

And it is the oneness of the Nation that has created its singularity in the world until now when others have undertaken to emulate our States. It is one economy in a continent and not surprisingly the most powerful economy in the world and not less for that reason.

Why turn away from it? Why learn again in years to come the awful lessons of the past when we have turned against it? As Abraham Lincoln said, "A house divided against itself cannot stand," and it did not or almost did not, because we let regional economic interests as perceived make the protection of those interests move into and poison our political unity.

The Senate should not do this. We should not allow ourselves the opportunity to simply acquiesce in the unthinking decisions of the few States to begin a practice which has been inimical to the interests of all States from the time the Union began and for which purpose the prevention of which the Union was formed.

Mr. President, I see that my friend from Michigan, the distinguished senior Senator, has risen. Does he wish to inquire to any remark I have made?

Mr. RIEGLE. No.

I am listening with great care to the thoughts and expressions of the Senator from New York and I think he has expressed them splendidly. I am prepared at any time that he is finished to get into some other issues here.

(Mr. TRIBLE assumed the chair.)

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that in yielding to the Senator from Michigan, I not lose my right to the floor.

Mr. GARN. Mr. President, reserving the right to object, and I shall not object, I wish to say to both of my colleagues that there will be no attempt on my part to unseat either one of them from the floor.

I wish we could have proceeded with the motion to proceed and have the bill on the floor. I recognize the problem. There are a great number of Senators who are not here and should be, in my opinion, after a 3-week recess. We could not have a vote today even if we wanted to because the number approaches 40 and it is about evenly balanced between the Democrats and Republicans. Neither side is at fault. So I understand the situation.

I hope that we could proceed with opening statements, take care of some of the noncontroversial technical amendments, the committee amendments. We cannot. I recognize the situation.

My colleague from Michigan can tell my colleague from New York how I run the Banking Committee. It is all up on top of the table.

As far as I am concerned you can switch back and forth. I am not going to object to second speeches or play any parliamentary games. I am interested in the substance of this bill and when I am allowed to get to it we will discuss the substance of the bill and the controversial provisions. In the meantime both of my colleagues are safe to talk as long as they want. There will be no parliamentary games on my part.

I do not object.

Mr. MOYNIHAN. Mr. President, may I just take a moment to express my appreciation for the unfailing courtesy of the chairman of the committee in these matters and to yield at this point to the Senator from Michigan.

Mr. RIEGLE. I thank the Senator.

Mr. President, first of all, I wish to again acknowledge the comments of the Senator from New York who has raised a number of important issues and I, also, wish to acknowledge the courtesy and friendship of the chairman of the committee, the Senator from Utah, who I have always found that I am able to work with in a most cooperative way and that he in no way has tried to be arbitrary in his actions on this matter.

So I do wish to also acknowledge, as did the Senator from New York, the courtesies of the Senator from Utah.

Mr. President, let me tell you what my concern is with bringing this bill up today. I agree with what others have said that it will be well to have all of the Senate present today and those of us who are here are not in the position to produce those who for one reason or another are not. But the issues in this legislation are so important, they are so serious, they have such an important bearing I think on the future of the soundness of the financial structure of the country, if not the world, that when we take this matter up I think it is critical that all of the Senators be here and certainly the principal people who have been involved in this debate over a period of time.

When the Senate went out in August, there was no firm understanding that this issue would be the issue to come up today, on this precise day, at the precise hour of 2 p.m. in the afternoon. If that had been announced, if that had been the clear-cut commitment in terms of the schedule, not ambiguous, but clear cut, then I think not only would I have been here but I think others who have a particular interest in this issue likewise would have been present.

But the fact is that there is no time agreement on this bill and the absence of the time agreement suggests that there was no real attempt made that I am aware of to try to fashion a time agreement. By that I mean an effort by the managers of the bill to meet and talk with the others who have a principal interest in it, members of the committee, others outside the committee, who for one reason or another have shown a particular interest in this legislation. In the normal course of events even late in the session when time is short, normally there is an effort to try to fashion some kind of a time agreement to see if we cannot isolate the areas of disagreement, narrow them down, and perhaps reach some understandings as to what amendments will be offered, how much time will be given to those amendments, and find some way to limit amendments that perhaps are not necessary or would otherwise be time consuming.

In seeking a time agreement, that does not necessarily mean one can be achieved. Sometimes we are fortunate in putting them together, sometimes not. But in this instance, no effort was made to put one together that I am aware of. There was no approach made to this Senator to try to fashion the time agreement.

I am open now or later to try to be a party with others in an effort to see if some kind of time agreement can be worked out that could accommodate the particular needs or objections or points that other colleagues, regardless of which side of the aisle, have an interest in wanting to bring forward.

Mr. GARN. Will the Senator yield for a comment without losing his right to the floor?

Mr. RIEGLE. Yes; of course.

Mr. GARN. Mr. President, I would only say to the Senator that he is correct. There was not a specific time or day, although it was circulated to both caucuses and also in the CONGRESSIONAL RECORD on the last day we adjourned that the banking bill, if not the first bill up when we returned, would be one of the first. And the intention was that it be up either today or tomorrow. So it is true it was not absolutely firm. The Senator is correct.

He is also correct on the statement that there was no attempt to fashion a time agreement. And that was deliberate. I think the Senator would agree that often bills that have time agreements take longer because of the time agreements, because people say, "Well, I had an hour on this amendment so I am entitled to it and I am going to take it," when it might have taken 10 minutes without it.

The Senator also remembers, as he was very, very much involved in 1982 and very helpful in the passage of the so-called Garn-St Germain bill that was brought up the next-to-the-last day of the session. That was, in many respects, more controversial than some of the aspects of this. In fact, the aspects that are controversial are very controversial. But a very small part of it, about 95 percent of this bill, is something that everybody agrees should pass.

We had more controversial items at that point and we determined that we could finish the bill more rapidly without being tied to a time agreement. The Senator may be correct that we can proceed with this. If we can work out a time agreement, fine. But I did want him to know that he is correct in his statement but also to know that there was no attempt deliberately to have a time agreement at this point.

However, there has been a good deal of work by staff while we have been out of session. A number of amendments on both sides of the aisle have been identified. Some of those have been worked out that can be acceptable and some of them have been modified to the satisfaction of various Senators.

Essentially where we are, when we eventually get the bill up one way or another, is we are dealing primarily with just four controversial issues. I hope the Senate will understand that. There are a lot of people who wish to kill the entire bill who know absolutely nothing about it because they have got one provision or another that they do not like.

Essentially, we are down to the regional banking issue, title X, as the Senator from New York has identified. That is controversial. I certainly do expect there will be an amendment from the Senators from new New York or others to delete that and we will let the Senate work its will.

We also have a disagreement over the writing of the South Dakota loophole and how it is to be handled, not that it should not be handled. Everybody would agree to that. It is how it is written. Then you have two new powers. You have new municipal revenue bonds with banks and mortgage-backed securities. And as far as the big controversial issues, that is the four of them.

I hope when my colleagues return they might read this colloquy and understand that. Ninety-five percent of the bill or more is not controversial. I hope we do not throw the baby out with the bath water.

I am perfectly willing, as I was in committee, to debate those four issues that are the most controversial and when the debate is finished to have an up or down vote on those four without those who would attempt—and with the help the Senator from Michigan has given to me, I do not want him to think I am talking about him because I know he is for a bill and most of the Senate is. The reason for taking so long—I did not intend to when I got up, but only to clarify a couple of points—is so that maybe our colleagues or staff will read this and recognize that the areas of disagreement are much, much narrower than some of the opponents outside, trade associations, and so on, would like to indicate, and some who are really willing to kill the whole bill over one or two provisions.

The regional banking issue is one of those. Citicorp and Chase Manhattan have looked at the whole bill. In spite of the fact that they like the rest of the bill, they decided it was in their special interests to try and kill the entire bill if they cannot get title X out.

I say to the Senator that he has been helpful to me for many years and we have been good friends. I hope eventually we will have the bill before us. There are certainly good arguments on both sides of these issues. We can have a substantive debate on those four issues that I have identified as those that are most controversial.

But the Senator is correct on no time agreement. I hope that we can either achieve a time agreement or, within the next day or 2, get to the substance of these issues and we certainly can debate them. I thank the Senator for yielding.

Mr. RIEGLE. Mr. President, I appreciate the comments the Senator from Utah has made. As he correctly notes, we have had the chance, over a long period of time, to work together on items of this kind coming out of the committee.

I want to take that a step further with respect to the Garn-St Germain bill because, while we were successful in that effort on a bipartisan basis and with a lot of cooperation, it was, in large part, because we were able to resolve, as he will recall, some of the thorniest issues ahead of time in discussions which he and I had and which others had. And, in a sense, while we came very late in the session with that legislation we brought legislation where the differences had been fundamentally worked out. In the process of working out the differences, we not only struck some compromises along the way but decisions were made to leave some items out and put other items in.

But it was an authentic give and take negotiation of a sort and led by the chairman, with great skill, I might say. In the end we were able to bring a bill to the floor where the controversy, for all practical purposes, had gone away. As a result, I think when we were on the floor we were on the floor for a relatively short period of time. I am not even sure we had a recorded vote. My memory is not exactly clear on that point. I do not recall there was much, if any, opposition because all of the sort of knock-down, drag-out side of the controversial legislation, contentious legislation, had been worked out essentially before we came to that point.

Mr. GARN. If the Senator will yield, we were on the floor for a little over 2 hours, as I remember. And I still have some of the scars from working out some of those problems in the last week or so, particularly the Crystal City Marriott. I will go no further on that and I did not want to give that particular speech.

I would only add that the Senator is correct. In general, I would say there is one difference: that this year we deleted in the committee print, before we ever got to markup, some of the most controversial items. We did not do that in the process before. The insurance provisions and others were simply deleted in order to try and smooth the way along.

Mr. RIEGLE. I recall particularly one conversation that the Senator and I had alone together when we were both seeking the same objective, namely, to try to find a formulation that was workable that obviously was not necessarily completely what either of us wanted that would represent a blend, a legislative blend, that could pass the Senate. We were able, with the help of others, to find that formula. And when you think about the fact that Garn-St Germain was on the floor, notwithstanding the scars that he and I and others may still carry, for a period of only about 2 hours, that was a remarkable accomplishment. I take my hat off to the chairman because he was the one who led the effort that produced that result.

I think we have quite a different situation here, and that is what I think, while we solved some issues in the committee, we did not resolve them all. There are some very contentious issues outstanding. There were some issues decided in the committee by close votes, very close votes. Of course, we have a difficult situation, too, because not only are the issues different this year but the lay of the land on the House side, seems to be somewhat changed, as well.

I am not sure that we find ourselves in a comparable situation at this time. My thought would be, for what it is worth to the chairman, that we still have some work to do to try to see if we cannot fashion some kind of a consensus on a bill, and a package that is broad enough to meet enough of the issues that have to be dealt with, and yet narrow enough so that it avoids the most contentious kind of fight that could put the whole package in jeopardy.

Who knows where that is? That is part of the magic of the legislative process, which is to try to find the point——

Mr. GARN. Mr. President, if the Senator would yield for a question on that point, would the Senator from Michigan agree that the issues that would result in close votes are with the exception of 1 and 4 that are identified as contentious issues? And, in the rest of the bill there are some other amendments, but they are not major. They are not really highly visible or very contentious.

Would the Senator agree that those four that I identified are the ones where the real battleground is on this bill?

Mr. RIEGLE. Insofar as I know, and as far as my colleagues on the committee have expressed their views, that seems to be where the main force of contention and confrontation lies.

Mr. GARN. Those are the only ones that we had. Those on the rest of the bill are essentially approved, and the amendments that I have identified are equal one to the other in some cases which have nothing to do with the provisions. Actually most of the bill—the Senator from Michigan has not had the opportunity to see some of them. I would indicate to the Senator and others that we really are rather narrow at this point in some areas although highly controversial with some. But there are not that many issues involved because some of the other amendments which are talked about as being offered should not be on this bill. They are financial in nature, but they are totally different subjects than what we are dealing with.

The reason I keep jumping up is not for the benefit of the Senator from Michigan, who is on the committee, but if our colleagues or staff are reading some of this, I do not want them to come back with the idea that because we are having trouble getting up at this point is because they are not here and should be; that there is a broad range of issues that are contentious, and this is a bill that needs to take days and days on the floor.

It could well not. It could be finished in 2 or 3 hours, if people are willing on those four issues to come to the floor and offer their amendments, debate them, say what we can on each side without a lot of repetition, vote, and take the will of the Senate.

The Senator made one other comment about the broadness or the narrowness of the bill. I want to indicate what I did before I left for the recess. Some people's definition—and I know this is not the definition of the Senator from Michigan—is a narrow bill with a couple of loopholes, the nonbank bank loophole, and closeout loophole. That is so narrow as to be totally unacceptable to this Senator. If we get to that point, either on the Senate floor where people will knock out all sorts of things that they did not intend just to get to one of these four that are contentious with them, or that is the result we get into in the conference and the House does not yield any further, than I am going to have no bill this year. We face a similar situation with Garn-St Germain. I remember the chairman of the House Banking Committee. At that time the situation in the House was not any more uncertain then because there was a public comment that he did not care what I passed, and he would not go to conference with me. I have not had any of those kind of ultimatums this time, and I hope I am not inviting one by standing up here and saying that. But I think there is room for compromise between the House and the Senate. But to be that narrow is not what the Senator from Michigan is advocating. I am not willing to do that.

If we close a couple of loopholes, we have set no policy, and we have thrown out a lot of legislation that is good and not contentious or really controversial with anyone.

So I am certainly willing to work again with the Senator from Michigan

to do what we can to eventually—when we get this up—resolve it in a matter of a few hours. But I want my colleagues from the House to be on notice that just a patchwork little Dutch boy putting his finger in the dike is not acceptable to the chairman of the Banking Committee. We have to have a broad, comprehensive bill, or I think we had better start over again in January. That means that I am not in favor of a moratorium, and I am not in favor of the Comptroller extending his regular moratorium.

I will say, though, that if four people run out of here and say, "Good heavens, if we do not have a bill, we are not going to have nonbank banks all over the place," I would put everybody on notice that at this point if we are not successful in getting a broad comprehensive bill before we adjourn on October 4, everybody should know that the grandfather date of July 1, 1983, will stay, and if it takes us until January, February, or March to get a comprehensive bill—or the middle of next year, or the fall of 1985—those who run off in the nonbank banking business have been put on notice now for well over a year, July 1, 1983, that if they invest money in the nonbank bank, if we are not successful in closing that loophole in the broad context of an overall comprehensive bill, they will end up having to divest.

Mr. RIEGLE. I think the chairman said a lot here. And I think that anyone with an interest in this bill, in the Chamber or outside, would do well to read the RECORD tomorrow to see what the chairman has said because I think those are important statements, declarative statements, and I think they give an indication of what the chairman has in mind.

This is not exactly a colloquy, but putting these views on the RECORD at this point I think are important views, and I trust that they will be seen in that light.

As the chairman has stated, and as he well knows, I certainly have no intention to want to block this legislation. In fact, I felt, as he has for a long time, that we need to address these issues. We needed to take them up in the committee, which we have done. We need to come to the floor, act on them in an expeditious way, especially because we are up against the time limits of this session, which is the October 4 adjournment date.

Because of that, it seems to me that we are under a particular burden to try to find that balance point and legislative mixture that can stand the test of the support of the entire Senate because tomorrow, or the next day, whenever this issue comes before us and is taken up in a formal manner, the rules of the Senate are such that if one Senator or two Senators feel so strongly about a given provision or approach, no action would occur. If the Senate were to act to narrow the bill down, the chairman would certainly be within his rights as a Senator to see to it that the Senate not complete action on that kind of a formulation if that were one that did not meet with his approval. That is true of any other Senator.

We are under the kind of legislative situation here with other items having to come through this shrinking legislative window between now and October 4 that virtually any Senator almost single-handedly could derail this legislation, if they wished to, and particularly so in the absence of a time agreement.

One of the ways to deal with the problems of an objection by a minority of Senators is to find a way to craft a time agreement that somehow gives those Senators a fair chance, a fair opportunity to present their views, perhaps to have an up-and-down vote, win or lose, then be passed at that point, go to conference, and hopefully end up with something that could be accepted by both bodies with a conference agreement and then sent to the President for a signature.

So I want to see us act on these issues. I think if we put all the matters over until next year, even with the statements that the Senator has made about grandfathering dates and so forth, we will have missed a very important opportunity to try to address some of the issues. I think the loopholes which have been mentioned are very important matters for us to deal with. I think they ought to be dealt with this year, and not in some future year. So I hope that we could get to the point where it would be possible to not only deal with those issues but in a sense to resolve all the issues, and come out of here with a package that the Senate as a whole can express itself favorably on.

But that is why I think we are; in a somewhat different situation than we were in back in 1982 with Garn-St Germain where in that instance the issues were different, and the negotiating efforts that went on ahead of time before we came to the floor were really the key to the fact that we were on the floor a single day—2 hours with virtually no controversy—and we came out with a bill that we were proud of, and which has I think quite well stood the test of time.

I want to take account of an article which is in today's Wall Street Journal. It is the feature story. Normally, there are two each day on the front page, one on the left-hand column and one on the right-hand column. The one on the right today is labeled as follows: "Financial Institutions are Showing the Strain of a Decade of Turmoil. Higher Interest Rates, Easing of Inflation, Bad Loans Hurt Banks, Other Firms. But System Proves Resilient."

Then the two writers go on at great length. I was prepared to read this story into the RECORD because it is an important summary or history of recent events within the financial system, some of the large banking failures, Continental Illinois and so forth, going back in time to the Penn Square situation, the Drysdale case, the Charter Co., and others.

This summary article quite well expresses the turmoil and turbulence we are seeing in financial institutions at the present time, the effect of deregulation both by regulators and by market forces, changes in law, but, as well, the overall impact of world economics and national economics affecting this very important sector in our overall system.

Mr. President, I ask unanimous consent that the entire text of this article in the Wall Street Journal of today be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the article was ordered to be printed in the Record, as follows:

MONEY AT RISK: FINANCIAL INSTITUTIONS ARE SHOWING THE STRAIN OF A DECADE OF TURMOIL

HIGH INTEREST RATES, EASING OF INFLATION, BAD LOANS HURT BANKS, OTHER FIRMS—BUT SYSTEM PROVES RESILIENT

(By Tim Carrington and Daniel Hertzberg)

A decade of turmoil in the financial-services industry is taking its toll. Cracks are appearing, and they may be only the beginning.

Just weeks after fashioning a multibillion-dollar rescue for Continental Illinois Corp., one of the nation's largest banking concerns, government officials helped oust the management at deeply troubled Financial Corp. of America, the nation's largest thrift organization. Meanwhile, bank failures total 54 so far this year—already exceeding the post-Depression record of 48 for an entire year.

The strains stem from high and unpredictable interest rates, a sudden end to steep inflation, and deregulation. They have been exacerbated by merger mania, reckless lending and a proliferation of new financial products. Moreover, the strains aren't limited to depository institutions; they cut across the entire financial-services industry and are causing a steady procession of financial scares in one business after another. Many big brokerage firms are posting record deficits, and property-casualty insurers are reeling from underwriting losses.

WORRIED EXECUTIVES

"You've got a financial system that is in a state of disrepair," says Thomas F. Donovan, senior executive vice president of Marine Midland Bank. Adds the head of one of the nation's largest banks: "I get up every morning and worry about what could go wrong."

Nobody knows where this turmoil will lead. At the least, analysts expect more mergers and forced liquidations. For investors in the troubled institutions, that could mean big losses. For employees in those institutions, it could mean layoffs. Last

month, for example, A.G. Becker Paribas, an investment bank, was taken over by Merrill Lynch & Co. after Becker suffered huge bond-market losses. Hundreds of Becker employees are out of jobs.

Further strains also could weigh heavily on American taxpayers. Although the government doesn't fund deposit insurance, some financial-industry analysts believe that protection against major financial losses—whether for customers of banks, brokerage firms, insurance companies or thrifts—ultimately will be borne largely by the government. But the government's resources are strained; widespread bailouts may force it to either raise taxes or print money to aid failing institutions and the latter course reignite inflation.

SHAKEOUT FORECAST

"We've created an entirely new system in the last 10 years," says Joseph Flom, a takeover attorney. "There's going to be a shakeout."

The procession of jumbo-sized financial scares has been jarring. In 1980, Bache Group Inc., a big securities firm, and some of its lenders teetered on the brink of collapse because of huge loans to the Hunt brothers, whose enormous investments in silver were plunging in value. In 1982, Drysdale Government Securities Inc. went bust, costing Chase Manhattan Bank more than $135 million and nearly hobbling a slew of securities firms. That same year, Penn Square Bank of Oklahoma City failed, sending shockwaves through the banking system. In 1983, Baldwin-United Corp., an insurance and financial-services conglomerate, filed for protection against its creditors, and earlier this year, Charter Co., a similar concern, took the same course. And this summer, Continental's deterioration led to the federal government's largest intervention.

Such a list worries Washington, where later this month the House Banking Committee will hold hearings on Continental's near-collapse. The committee also will probably consider the overall weakness in the financial system. Rep. Fernand St Germain, the committee's chairman, said in a recent interview that the financial system is at a "crossroads." The Rhode Island Democrat added that Congress should decide what the government should do when "a large financial institution gets into trouble."

GONE TOO FAR?

In addition, the House is expected to take up legislation that would push certain nonfinancial companies, such as J.C. Penney Co. and Sears, Roebuck & Co., out of the deposit-taking business. Part of the impetus for the legislation is a growing consensus that the recent growth and diversification among financial-services companies have gone too far.

For all the turmoil, the financial system has shown impressive resiliency. So far, private-sector ingenuity and government intervention have prevented individual disasters from spreading. Referring to the Continental rescue, Mr. Flom notes, "If a bank that size had gotten into trouble in the pre-Roosevelt era, it would have been a national calamity." Federal Deposit Insurance Corp. officials add that crisis-management skills are improving with each banking disaster.

Yet most analysts predict that the system will continue to be severely tested. Much of the strain will be psychological; financial-services-industry participants say that until recently, the response to crises has been to see them as isolated ailments that could be contained. But they say that has changed, largely because of the international debt crisis and Continental's brush with disaster. Now, they discern an unspoken fear that the whole system is shaky.

The fact that problems are occurring all at once all across the financial-services industry brings an added level of risk. Because financial institutions are becoming more interdependent, problems are increasingly likely to migrate from one concern to another. For example, Baldwin-United's travails led to an $83 million after-tax charge last year at Merrill Lynch, which, in its push to diversify, had been selling Baldwin's annuities.

Elsewhere, banks are selling loan participations to other banks more frequently. Thus, Penn Square's reckless lending not only brought that bank down but also led to the merger of Seafirst Bank into BankAmerica Corp. and contributed to Continental's near-collapse two years later. Both banks had purchased loans from Penn Square.

A House economist in Washington worries that "all of these institutions meet every day in the government-securities market," which has proved treacherous at times. The Drysdale Government Securities failure threatened to weaken more than a dozen other dealers until Chase Manhattan Bank agreed to honor the defunct firm's obligations.

The strain also comes from basic economic forces. Ironically, one of those is the halt in high inflation, which the Reagan administration cites as its crowning economic achievement. Continental's troubles stemmed largely from energy, real-estate and foreign loans made on the widely held but mistaken assumption that inflation would rage on unabated. When it didn't, loans extended by Continental, and by others operating on the same assumptions, began to sour.

High inflation also encouraged financial companies to borrow heavily for expansion. Baldwin-United borrowed about $1 billion to acquire a big mortgage insurer, MGIC Investment Corp.; in doing so, Baldwin-United took on a debt burden that ultimately helped sink it.

Optimists interpret the current turmoil as a painful adjustment to new economic conditions rather than as a lasting malaise. "What you're seeing is the beginnings of a cure," in which companies "are doing things to disgorge the excesses of the past," says George Ball, the chief executive officer of Prudential-Bache Securities Inc. Under high inflation, he explains, financial institutions could paper over bad credit risks. "Now, the climate is such that management mistakes have been coughed up into the light of day."

DEREGULATION'S EFFECTS

Also painful to financial businesses has been the deregulation drive. In the securities industry, Congress ended the fixed-commission system that had protected the income streams of brokerage firms.

Most important has been the congressional deregulation of interest rates, combined with the Fed's October 1979 decision to allow rates to fluctuate more and a resulting, unprecedented volatility in rates. In addition, rates may be permanently higher. Henry Kaufman, the chief economist at Salomon Brothers Inc., believes that "financial deregulation has contributed to a higher structure of interest rates," so that rates remain high even though inflation has subsided.

For thrift institutions, carrying older, low-yielding mortgages, the new rate structure has been devastating. The lofty rates have eaten into capital and forced hundreds of savings institutions into government-assisted mergers.

Federal regulators also have allowed financial companies to invade one another's turf. For example, in 1981, the Federal Reserve Board and the comptroller of the currency permitted hundreds of banks to offer discount brokerage services. That new competition is aggravating the strains being felt by Merrill Lynch and other full-service brokerage firms.

TOO MUCH CHANGE

One result of all this is simply that many institutions, and regulators, are suffering from an overdose of change. "The whole system has to stabilize," says Dennis Jacobe, an economist for the U.S. League of Savings Institutions. "Now, it's disequilibrium."

The ways that managers have responded to the shocks have often made things worse. "All of these businesses are overcrowded—banking, securities, insurance," says Barbara Stewart, the president of Stewart Economics, a consulting firm. "You see banks reaching for riskier and riskier loans. In insurance, companies are taking lower and lower premiums for riskier types of insurance."

Swift growth and big-dollar bets on the direction of interest rates largely account for the problems at Financial Corp., which ballooned to assets of $32.7 billion on June 30 from only $6.6 billion at the end of 1982. American Express, after an orgy of takeovers in securities and banking, was blindsided when its insurance unit, Fireman's Fund Insurance Co., had to jack up its loss reserves by $230 million.

Big financial conglomerates "are only capable of managing so many dollars of assets effectively," says Perrin Long, a financial-industry analyst with Lipper Analytical Distributors Inc. Or, as Salomon's Mr. Kaufman says, financial institutions are "larger but weaker."

Here is how the strains are affecting the four main financial groupings.

Banking

One sign that banks are experiencing systemic troubles is the stock of J.P. Morgan & Co. Known as the bluest chip in banking, Morgan stock nevertheless sells at only about six times earnings, well below the price-earnings ration for many lackluster industrial companies.

On the lending side, the loans that many banks have made to cash-strapped developing nations and energy companies have turned sour at alarming levels. For banks with more than $10 billion in assets, the ration of nonperforming assets to total loans and real estate more than doubled between 1980 and 1983. And this doesn't include most of the troubled loans to foreign governments, which regulators generally still allow banks to carry on the books at 100 cents on the dollar.

Banks have accepted riskier loans partly because their safest corporate customers have taken to raising cash by selling commercial paper—short-term corporate IOUs—through investment banks. "You've got more and more banks chasing less-quality types of borrowers," Marine Midland's Mr. Donovan says. "If banks lose sight of quality (controls), they can fill their portfolios with garbage."

In addition to taking on new and often-riskier customers, such as Third World bor-

rowers, banks have extended novel and sometimes riskier credits, such as leveraged buyouts, guaranteed letters of credit for securities offerings, and interest-rate swaps.

Risks also have risen on the deposit side of the balance sheet. Banks have increasingly funded their operations by attracting large, uninsured deposits from nervous institutional investors around the world. As Continental's case demonstrated, financial problems can lead to a lethal run by panicky money managers.

Meanwhile, the FDIC has made some big depositors even more nervous by placing uninsured depositors at risk in the failures of small banks. But the Continental rescue, in which depositors of all sizes were guaranteed, has increased the confusion.

Given all these uncertainties, banks' capital levels are generally viewed as too low. "We've moved to financial deregulation at a moment when many financial institutions have a thinness of capital and a problem with the quality of assets," Mr. Kaufman says.

Federal regulators have proposed tougher standards that would rise to 6% the ratio of a bank's total capital to assets, and Fed officials hint that this would be only a first step. Some analysts say that despite efforts in Washington to impose stiffer capital requirements, banks are still let off too easily by being allowed to include loan-loss reserves as part of capital.

A continued economic recovery, particularly if coupled with lower interest rates, would surely help the banks. But regulators are surprised that banks haven't benefited already. FDIC chief William Isaac says that by historical standards, bank failures should have tailed off beginning in June, 18 months after the recovery began. They didn't.

Thrift institutions

After weathering an industry crisis two years ago, in which 1,100 troubled thrifts disappeared through mergers or reorganizations, savings institutions are again strapped. Stubbornly high interest rates, plus the threat of further increases, are the chief culprit. The problems of Financial Corp. stem partly from mistaken bets on which way rates would go this summer.

Says the chairman of another California thrift institution, "For the record, the industry is in tough shape. Off the record, it's a disaster."

Although lifting the ceiling on interest rates was initially billed as a competitive aid to thrifts, it has hurt in many ways. The institutions are paying higher interest on deposits, but they still are saddled with billions of dollars in older, low-rate mortgages. By some counts, four of 10 thrifts have lost money in every quarter since 1982. Industry economists say that because of eroded capital structures, the thrifts are less able to withstand losses than they were two years ago.

The Federal Home Loan Bank Board has tried to jawbone thrifts into issuing mainly adjustable-rate mortgages, which, in effect, shift the risk of interest-rate increases to borrowers. Adjustable mortgages extended this year should total $172 billion, Salomon Brothers estimates. But as rates rise, homeowners will have difficulty meeting the higher mortgage payments, and foreclosures could skyrocket.

Diversification has also proved a mixed blessing for the thrifts. Legislation passed in 1982 empowers them to expand beyond mortgages into certain forms of commercial real-estate lending. But these new ventures can be much riskier, particularly for the uninitiated. George Davis, executive vice president of First National Bank of Chicago, says some thrifts are writing commercial mortgages "at rates we think are obscene and with structures that are risky. We think they are buying trouble."

That was certainly the case for Empire Savings & Loan Association of Mesquite, Texas, which collapsed last March in the largest thrift failure to date, after pouring money into construction projects outside Dallas. When the projects failed, so did Empire.

The FDIC's Mr. Isaac says the thrift industry's afflictions can be summed up in two words: "high rates." Indeed, Financial Corp.'s future may depend on the level of rates the rest of this year. Jonathan Gray, an analyst at Sanford C. Bernstein & Co., believes that 84% of Financial Corp.'s deposits will mature within a year, and that if rates rise in the meantime, it may have to pay more to hang on to these deposits. But Financial Corp. can't reprice its assets because only about 30% of its loans and investments mature within a year.

Insurers

Like other financial sectors, the insurance industry is plagued by tougher competition and thinner margins.

But unlike the banking and securities industries, the insurers don't have any federal or industry-supported overall safety net: instead, policyholders are protected by a hodgepodge of state regulations and guaranty funds that critics term inadequate. Baldwin-United annuity holders are hoping that the insurance and securities industries will make up part of the annuity holders' lost interest.

For property-casualty insurers, which cover everything from automobiles to product liability, business is "far riskier than ever," says John Cox, executive vice president and head of financial services at American Can Co. More than half of the insurance premiums currently are for casualty and liability risks, on which claims often don't come in for years and insurers get to keep the premium dollars longer for investment.

These days, however, both the investments and the claims are less predictable. Large settlements over product defects and workplace illnesses have hit insurers hard. Meanwhile, many corporations have been self-insuring the safest, most predictable risks.

High interest rates have exacerbated the boom-and-bust cycle of property-casualty insurers. Record interest rates "mesmerized people inside the industry and outside who believed the business was a cash cow," says M.R. Greenberg, the chief executive of American International Group Inc., a large insurer. People thought that "all you had to do was collect premiums, and investment income would take care of all claims losses," he says.

But the result was a drastic price war, Mr. Greenberg says, with rates on many insurance lines plummeting 40% to 60%. Eventually, investment income couldn't compensate for that.

Now, claims losses are soaring; some big insurers, including Cigna and St. Paul Cos., reported second-quarter losses. And analysts believe that many companies' loss reserves aren't adequate.

However, the two biggest failures have been companies operating in the once-staid life-insurance industry. Baldwin-United and Charter grew too rapidly. Their growth was fueled by skyrocketing sales of the single-premium deferred annuity, which lets buyers build up tax-deferred income.

Experts say neither company understood the risks in the annuity product, particularly given volatile interest rates. Baldwin and Charter both wrote annuities that let buyers cash in their policies and get their money back without penalty if the rates paid on their policies dropped more than a percentage point or two. Amid the general decline in interest rates from their peaks during the Carter-administration years, Baldwin tried to dissuade people from cashing in their policies; it did so by keeping its policy rates artifically high—but at too high a cost to itself. Charter, in contrast, allowed some policy-holders to cash in. Because so much money had earlier flowed into the two companies, a total of $7 billion, both were highly leveraged and thus highly vulnerable.

Securities firms

After a decade of mergers and diversification, Wall Street is finding that bigness and diversity, once viewed as a panacea for the stock market's ups and downs, have drawbacks. Merrill Lynch, the biggest securities firm and long a pacesetter, is shrinking after having expanded to 44,000 employees and hundreds of different financial products—and after a second-quarter loss of $32 million.

The cost of furnishing brokers with computer support and training in new products has ballooned securities firms' expenses. E.F. Hutton & Co. spends $46,000 a year on each broker, before paying any commissions.

Jeffrey Schaefer, an economist for the Securities Industry Association, says that trading volume of 90 million shares a day on the New York Stock Exchange is needed for the large firms to break even. In the second quarter, trading averaged 86.7 million shares a day.

Securities firms also have been hurt by the volatile interest rates. The firms carry large bond portfolios, and many have sustained big losses when interest rates have swung about sharply.

Competition from the banks' discount brokerage operations increases the pressure by making it difficult for the brokers to raise rates to cover the steeper expenses. "As they reach into one another's business, they erode each other's profits," Mr. Schaefer says.

One difficulty with diversification, Lipper's Mr. Long believes, is that it stretches management too thin. "The problem is that companies refuse to sell things," he says. For example, Sears Roebuck is faced with the disparate jobs of heading off further losses at Dean Witter Reynolds Inc., its Wall Street arm, while upgrading its image as a retailer of clothes and home products.

As an indication that diversification isn't necessary, Wall Street analysts cite Goldman Sachs, which has stuck to its core-customer base—financial institutions and corporations—but has grown nonetheless. It also has retained its partnership format despite the industry trend to raise capital by going public. Similarly, A.G. Edwards, a traditional brokerage firm, avoided the industry's vogue of expanding into insurance and offering an array of savings vehicles.

Yet, Mr. Long notes, both firms have profit margins well ahead of industry averages.

Mr. RIEGLE. Mr. President, I am prepared to go on and elaborate,

though I am not sure it is necessary because I think the chairman and I have had a very useful colloquy that sets the stage for this issue rising again shortly. I do not want to yield the floor until I am convinced that we have an understanding that the matter will not be taken any further today.

Mr. GARN. If the Senator will yield, I indicated at the outset privately to the Senator that I understood the situation of absent colleagues, and so forth, and would make no attempt to push to a vote to take it up today. That is still my position. I think the colloquies have been useful to this point. The Senator is welcome to continue as long as he would wish. However, it is not my intent to keep him talking just for the sake of talking. Whenever he has concluded his remarks, that is as far as I think we should go today and I would be hopeful that we could get the bill up tomorrow.

Mr. RIEGLE. I wonder if it would be in order for me to make a unanimous-consent request that when this issue is brought up again I will be able to speak and that my remarks will not be considered a second speech.

Mr. GARN. Reserving the right to object and I will not object, as I indicated to the Senator from New York it is not my intention to prevent Senators from speaking as much as they want. I cannot guarantee that the Senator will be recognized first by whoever occupies the chair tomorrow. But I certainly would not bring any point of order against a second speech.

Mr. RIEGLE. Is it the understanding of the Senator from Michigan that it is the intent of the Senator now to put this matter aside? Is that the intent of the majority leader?

Mr. GARN. It is my intent to quit talking. The role of the majority leader is not mine.

Mr. BAKER. Will the Senator yield?

Mr. GARN. I am happy to yield.

Mr. BAKER. Mr. President, it is the intention of the leadership on this side when the distinguished chairman of the committee and others have completed debate on my poor, old motion today that we will go into a brief period for the transaction of routine morning business and then go out until tomorrow. If Members have completed, I will consult with the minority leader. If there is no reason to do otherwise, I will put us in morning business.

Mr. RIEGLE. I yield the floor, but I appreciate the statement of the majority leader, and will have no further statement to make at this point.

ROUTINE MORNING BUSINESS

Mr. BAKER. Mr. President, I have been advised by the minority leader and the chairman of the committee that there is nothing further on this measure to be done today. I ask unanimous consent that there now be a period for the transaction of routine morning business to extend not past the hour of 4:15 p.m. in which Senators may speak for not more than 3 minutes each, with the exception of the two leaders.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN ECONOMIC COMMUNITY—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 162

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 28, 1984, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which, pursuant to Public Law 94-265, was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*) (the Act), I transmit herewith the text of a governing international fishery agreement between the United States and the European Economic Community (EEC), which was initialed at Washington on June 27, 1984.

This agreement will replace the existing governing international fishery agreement with the EEC, which entered into force on June 9, 1977, and is now due to expire no later than September 30, 1984. This agreement may be signed by the European Economic Community only following the completion of EEC internal procedures, which are now underway. I am transmitting this final text to you prior to its signature. While it is the usual practice to transmit to the Congress only signed agreements, it is my intention in this case that this transmittal initiate the period for Congressional review under Section 203(a) of the Act (16 U.S.C. 1823(a)) to further the objectives of that Act. Like other such agreements, it will enter into force only after the completion of the requirements of Section 203 of the Act, signature of the Agreement by both Parties, and written confirmation that the internal procedures of the EEC have been completed.

RONALD REAGAN.

THE WHITE HOUSE, *August 27, 1984.*

PAY ADJUSTMENTS FOR FEDERAL EMPLOYEES—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 163

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 30, 1984, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Governmental Affairs:

To the Congress of the United States:

Under the Federal Pay Comparability Act of 1970, the President is required to make a decision each year on what, if any, pay adjustment should be provided for Federal employees under the General Schedule and the related statutory pay systems.

My pay advisors have reported to me that an increase in pay rates averaging 18.3 percent, to be effective in October 1984, would be required under existing procedures to raise Federal pay rates to comparability with private sector pay rates for the same levels of work. However, the law also empowers me to prepare and transmit to Congress an alternative plan for the pay adjustment if I consider such an alternative plan appropriate because of "national emergency or economic conditions affecting the general welfare."

Accordingly, after reviewing the reports of my Pay Agent and the Advisory Committee on Federal Pay, and after considering the adverse effect that an 18.3 percent increase in Federal pay rates might have on our continuing national economic recovery, I have determined that economic conditions affecting the general welfare require the following alternative plan for this pay adjustment:

In accordance with section 5305(c)(1) of title 5, United States Code, the pay rates of the General Schedule and the related statutory pay schedules shall be increased by an overall percentage of 3.5 percent for each schedule, with such increase to become effective on the first day of the first applicable pay period beginning on or after January 1, 1985.

Accompanying this report and made a part hereof are the pay schedules that will result from this alternative plan, including, as required by section 5382(c) of title 5, United States Code, the rates of basic pay for the Senior Executive Service.

RONALD REAGAN.

THE WHITE HOUSE, *August 30, 1984.*

VETO MESSAGE ON S. 2436—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 164

Under the authority of the order of the Senate of August 10, 1984, the Sec-

retary of the Senate, during the adjournment of the Senate, received the following message from the President of the United States; which, on September 5, 1984, was read and ordered held at the desk:

To the Senate of the United States:

Since the adjournment of the Congress has prevented my return of S. 2436 within the meaning of Article I, section 7, clause 2 of the Constitution, my withholding of approval from the bill precludes its becoming a law. Notwithstanding what I believe to be my constitutional power regarding the use of the "pocket veto" during an adjournment of Congress, however, I am sending S. 2436 to the Senate with my objections, consistent with the Court of Appeals decision in *Kennedy* v. *Sampson*, 511 F.2d 430 (D.C. Cir. 1974).

Public broadcasting constitutes an important national resource and contributes to the diversity of news, information, and entertainment choices available to the American public. Under S. 2436, however, Federal funding for public broadcasting would be increased by too much too fast. The Fiscal Year 1987 authorization of $238 million for the Corporation for Public Broadcasting represents a 49 percent increase over the already enacted funding level for 1986. Likewise, next year's spending on new public broadcasting facilities grants would be authorized at $50 million or four times this year's appropriation.

When all of the demands on the Federal budget are taken into account, increases in spending on public broadcasting of the magnitude contemplated by this legislation cannot be justified. They are incompatible with the clear and urgent need to reduce Federal spending. Moreover, this view is clearly shared by a large portion of the House of Representatives as indicated by the 176 votes in favor of the Oxley amendment to reduce the three-year authorizations by 25 percent.

In disapproving this bill, therefore, I urge the Congress to consider a revised bill providing more reasonable and moderate increases for the Board for Public Broadcasting along the lines of the Oxley amendment. I also reiterate my strong opposition to the huge increases for public facilities grants contained in S. 2436 and the unjustified expansion of this program to include repair and replacement of existing equipment.

I must also stress that my firm insistence on scaling this bill back to more fiscally responsible levels in no way jeopardizes the continued operations of public broadcasting stations across the Nation. Under the established funding mechanism, ample appropriations have already been enacted into law for all of Fiscal Years 1985 and 1986. Funding for another 25 months is already guaranteed.

Thus, the issue regarding S. 2436 is really one of long-range fiscal prudence. Given the magnitude of the deficit cuts that will be needed in the years ahead, I do not believe we can justify locking-in public broadcasting funding levels for 1987-1989 that are so obviously excessive. To do so would be wholly inconsistent with our pledge to slow the growth of spending and reduce the size of the deficit.

Accordingly, I am disapproving S. 2436.

RONALD REAGAN.

THE WHITE HOUSE, *August 29, 1984.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT—PM 165

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Environment and Public Works:

To the Congress of the United States:

Pursuant to the requirements of Section 10 of the Saint Lawrence Seaway Act of May 13, 1954, I hereby transmit the Saint Lawrence Seaway Development Corporation's Annual Report for 1983.

RONALD REAGAN.

THE WHITE HOUSE, *September 5, 1984.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bills and joint resolutions:

On July 31, 1984:

S. 373. An act to provide for a comprehensive national policy dealing with national research needs and objectives in the Arctic, for a National Critical Materials Council, for development of a continuing and comprehensive national materials policy, for programs necessary to carry out that policy, including Federal programs of advanced materials research and technology, and for innovation in basic materials industries, and for other purposes.

On August 17, 1984:

S. 268. An act to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities at Hoover Dam, and for other purposes.

S. 1145. An act to recognize the organization known as the Catholic War Veterans of the United States of America, Incorporated.

S.J. Res. 248. Joint Resolution designating August 21, 1984, as "Hawaii Statehood Jubilee Day".

S.J. Res. 272. Joint Resolution recognizing the anniversaries of the Warsaw uprising and the Polish resistance to invasion of Poland during World War II.

S.J. Res. 302. Joint Resolution to designate the month of September 1984 as "National Sewing Month".

On August 21, 1984:

S. 1224. An act to provide for the disposition of certain undistributed judgement funds awarded the Creek Nation.

S. 1429. An act to amend the Small Business Act to extend and strengthen the Small Business Development Center Program, and for other purposes.

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated.

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes.

S. 2820. An act to name the Federal Building in McAlester, Oklahoma, the "Carl Albert Federal Building".

S.J. Res. 338. Joint Resolution to congratulate the athletes of the United States Olympic team for their performance and achievements in the 1984 winter Olympic games in Sarajevo, Yugoslavia and the 1984 Summer Olympic games in Los Angeles, California.

On August 24, 1984:

S. 746. An act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes.

On August 27, 1984:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, Colorado, and for other purposes.

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, Utah, certain land and improvements in Box Elder County, Utah.

On August 28, 1984:

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services.

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes.

MESSAGES FROM THE HOUSE RECEIVED DURING THE ADJOURNMENT

ENROLLED BILL SIGNED

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 13, 1984, during the adjournment of the Senate, received a message from the House of Representatives announcing

that the Speaker had signed the following enrolled bill:

S. 2820. An act to name the Federal building in McAlester, Oklahoma, the "Carl Albert Federal Building".

Under the authority of the order of the Senate of August 10, 1984 the enrolled bill was signed on August 13, 1984, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate on August 14, 1984, received a message from the House of Representatives announcing that the House has passed the following bills, without amendment:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, Colorado, and for other purposes; and

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, Utah, certain land and improvements in Box Elder County, Utah.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 5297) to amend the Federal Aviation Act of 1958 to terminate certain functions of the Civil Aeronautics Board, to transfer certain functions of the Board to the Secretary of Transportation, and for other purposes, agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. MINETA, Mr. ANDERSON, Mr. ROE, Mr. SNYDER, and Mr. HAMMERSCHMIDT as managers of the conference on the part of the House.

The message further announced that the House disagree to the amendments of the Senate to the bill (H.R. 2867) entitled "An Act to amend the Solid Waste Disposal Act to authorize appropriations for the fiscal years 1984 through 1986, and for other purposes," and agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon.

Ordered, that the following are appointed conferees: For consideration of the House bill and the Senate amendments except for section 28(c) of the Senate amendments: Mr. DINGELL, Mr. FLORIO, Ms. MIKULSKI, Mr. TAUZIN, Mr. ECKART, Mr. DOWDY of Mississippi, Mr. BROYHILL, Mr. LENT, and Mr. RITTER.

Solely for consideration of section 28(c) and modifications thereof committed to conference: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. PICKLE, Mr. CONABLE, and Mr. DUNCAN.

Solely for consideration of sections 29 and 45 of the Senate amendments and modifications thereof committed to conference: Mr. WAXMAN, Mr. SCHEUER, and Mr. MADIGAN.

Solely for consideration of section 3 of the House bill and modifications thereof committed to conference: Mr. SHELBY.

Solely for consideration of section 5 of the House bill and modifications thereof committed to conference: Mr. BREAUX.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4477. An act to amend the Higher Education Act of 1965 to provide grants to the States to establish postsecondary education scholarship programs to encourage outstanding high school graduates to enter the teaching profession, and to establish a national fellowship program for talented teachers.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate, on August 15, 1984, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolutions:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, Colorado, and for other purposes;

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated.

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, Utah, certain land and improvements in Box Elder County, Utah;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers, and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such Act, and for other purposes;

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes;

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An act to amend section 1601 of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, New York;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984 through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week"; and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

Under the authority of the order of the Senate of August 10, 1984, the enrolled bills and joint resolutions were signed on August 15, 1984, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND).

Under the authority of the order of the Senate of August 10, 1984, the Secretary of the Senate, on August 27, 1984, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House insists upon its amendments to the bill (S. 2616) to extend the Adolescent Family Life Demonstration Program, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. DINGELL, Mr. SCHEUER, Mr. WAXMAN, Mr. BROYHILL, and Mr. MADIGAN as managers of the conference on the part of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 5531. An act to eliminate the requirement that the portion of the Baltimore-Washington Parkway located in the State of Maryland be conveyed to the State of Maryland upon completion of the reconstruction of the parkway authorized by the Federal-Aid Highway Act of 1970; and

H.R. 5640. An act to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

HOUSE MEASURES REFERRED DURING THE ADJOURNMENT

Under the authority order of the Senate of August 10, 1984, the following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4477. An act to amend the Higher Education Act of 1965 to provide grants to the States to establish postsecondary education scholarship programs to encourage outstanding high school graduates to enter the teaching profession, and to establish a national fellowship program for talented teachers; to the Committee on Labor and Human Resources

H.R. 5531. An act to eliminate the requirement that the portion of the Baltimore Washington Parkway located in the State of Maryland be conveyed to the State of Maryland upon completion of the reconstruction of the parkway authorized by the Federal Aid Highway Act of 1970; to the Committee on Environment and Public Works.

H.R. 5640. An act to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980; to the Committee on Finance.

ENROLLED JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of August 10, 1984, the following joint resolutions, received by the Senate on August 10, 1984, were signed on August 13, 1984, during the adjournment of the Senate by the President pro tempore (Mr. THURMOND):

S.J. Res. 248. Joint resolution designating August 21, 1984, as "Hawaii Statehood Silver Jubilee Day";

S.J. Res. 302. Joint resolution to designate the month of September 1984 as "National Sewing Month"; and

S.J. Res. 338. Joint resolution to congratulate the athletes of the U.S. Olympic team for their performance and achievements in the 1984 winter Olympic games in Sarajevo, Yugoslavia and the 1984 summer Olympic games in Los Angeles, CA.

MEASURES PLACED ON THE CALENDAR

The following measures were read the second time and placed on the calendar:

S. 2925. A bill to reduce the cost of and improve the food stamps program, and for other purposes;

S.J. Res. 348. Joint resolution to amend the Constitution of the United States to limit budget outlays for a fiscal year to not more than 19 per centum of gross national product; and

H.R. 5151. An act to alleviate hunger in the United States by strengthening Federal nutrition programs.

The Committee on Appropriations was discharged from the further consideration of the following bill; which was placed on the calendar:

H.R. 6028. An act making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1985, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on August 17, 1984, he had presented to the President of the United States the following enrolled bills:

S. 746. An act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes;

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes:

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Incorporated;

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, UT, certain land and improvements in Box Elder County, UT;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers, and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such act, and for other purposes;

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes;

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of August 10, 1984, the following reports of committees were submitted on August 27, 1984:

By Mr. ROTH, from the Committee on Governmental Affairs:

Special report of the Permanent Subcommittee on Investigations relating to the Hotel Employees and Restaurant Employees International Union (Rept. No. 98-595).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 2838. A bill to authorize the Secretaries of Interior and Agriculture to provide assistance to groups and organizations volunteering to plant tree seedlings on public lands, and for other purposes (Rept. No. 98-596).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 5172. A bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1984 and 1985 and for related purposes.

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment:

S. Res. 435. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of H.R. 5147.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 2964. A bill to settle and adjust the claim of the Tehran American School for $13,333.94; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MATSUNAGA:

S. Con. Res. 137. Concurrent resolution relating to funding for scientific and cultural exchange agreements between the United States and the Union of Soviet Socialist Republics; to the Committee on Appropriations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STAFFORD (for himself and Mr. LEAHY):

S. 2964. A bill to settle and adjust the claim of the Tehran American School for $13,333.94; to the Committee on the Judiciary.

TEHRAN AMERICAN SCHOOL CLAIM ACT

● Mr. STAFFORD. Mr. President, on behalf of myself and my colleague from Vermont [Mr. LEAHY], I introduce today the Tehran American School Claim Act of 1984.

The purpose of the legislation is to permit the U.S. Government to reimburse the Tehran American School $13,333.94 due from the sale of school motor vehicles arranged by the U.S. Embassy in Tehran, Iran, in 1979.

The proceeds from the sale were lost as a result of the seizure of the U.S. Embassy, and this legislation is required to permit payment under terms of the Meritorious Claims Act.

The claim was originally filed with the Department of State by William F. Keough, who was the superintendent of schools for the Tehran American School. Mr. Keough previously had served as a superintendent of schools in several Vermont communities.

This legislation is introduced at the suggestion of the Comptroller General of the United States who has judged the loss of the funds by the State Department to be the result of an uncontrollable event and who has found the claim to have merit under the terms of the Meritorious Claims Act.

I ask unanimous consent to have printed in the RECORD at this point the

claim filed by Mr. Keough, along with a supporting document; a letter from the Acting Comptroller General to Mr. Keough; the decision of the Comptroller General regarding the claim; the report to the Congress by the Comptroller General recommending that payment of the claim be authorized, and the text of the legislation introduced by myself and Mr. LEAHY.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Tehran American School for $13,333.94, which amount constitutes proceeds from the sale of three motor vehicles arranged by the United States Embassy in Tehran, Iran, in 1979. There is hereby appropriated from any money in the Treasury not otherwise appropriated such amount as may be necessary for the payment of the claim.

TEHRAN AMERICAN SCHOOL,
Tehran, Iran, December 2, 1981.

Mr. MARVIN WOLFE,
NEA/EX/BUD, Department of State, Washington, DC.

DEAR MR. WOLFE: This is a request for reimbursement to Tehran American School the amount of $13,333.94; these funds were obtained by the American Embassy, Tehran as proceeds from the sale of school vehicles.

All arrangements are detailed in a telex, Tehran 10592, dated October 2, 1979.

When the funds are available, please call me at 245-9248. Upon receipt the funds will be used to meet outstanding responsibilities of the school.

Thank you for your cooperation.

Sincerely yours,

WILLIAM F. KEOUGH,
Superintendent of Schools,
Tehran American School.

[Telegram]

DEPARTMENT OF STATE,
Tehran 10592.

E.O. 12065: N/A.

Subject: Tehran American School.

1. Post requests Tehran American School, 4600 Duke Street, Alexandria, Va., be informed that following proceeds of sales have been generated:

Mini buses license plates 65753 and 72538, RLS 500,000, $7, 107.32.

Mini buses license plates 65748 and 98939, RLS 500,000, $8.107.32.

Mazda license plates 62572, RLS 280,000, $3,980.10.

Total, 1,280,000, $18,194.74.

2. Post is holding TAS outstanding telephone bills as follows and requests TAS authority to pay:

8 lines of 24xxxx, 9/23/78—12/21/78, RLS 91,732, $1,303.94.

8 lines of 24xxxx, 12/22/78—4/21/79, RLS 73,002, $1,037.70.

5 lines of 23xxxx, 12/6/78—4/4/79, RLS 36,523, $519.16.

Total, 201,257, $2,860.80.

3. With deductions from proceeds for above $2,860.80 payment plus another $2,000.00 to be held in reserve for additional payables. Post shall forward $13,333.94 check to Alexandria address. Laingen.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 15, 1982.

B-205984.

Mr. WILLIAM F. KEOUGH,
Superintendent of Schools,
Tehran American School.

DEAR MR. KEOUGH: Enclosed is a copy of our decision in which we disallow the Tehran American School's claim for $13,333.94 as part of the proceeds from the sale of three School vehicles. The sale was arranged by the United States Embassy in Tehran, Iran. On the other hand, we think that the equities warrant reporting the claim to the Congress of the United States under the Meritorious Claims Act of April 10, 1928, 31 U.S.C. § 236.

No further action on the claim can be taken by our Office unless, and until, the Congress enacts legislation pursuant to our recommendation. We enclose a copy of our report to the Congress recommending that payment of the claim be authorized.

Sincerely yours,

MILTON J. SOCOLAR,
Acting Comptroller General
of the United States.

[Decision]

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 15, 1982.

File: B-205984.

Matter of: Tehran American School—Reimbursement of Funds.

Digest: 1. The State Department cannot pay the Tehran American School $13,333.94 due from the sale of School motor vehicles arranged by the United States Embassy in Tehran, Iran, since the Embassy as agent did not breach any duty owed to the School. The proceeds from the sale were lost as a result of seizure of the United States Embassy—an uncontrollable event. Moreover, the embassy acted properly in commingling the proceeds of the sale with other receipts in the Embassy safe.

2. Claim is to be reported to the Congress under the Meritorious Claims Act, 31 U.S.C. § 236, since seizure and occupation of the United States Embassy and resulting loss of proceeds from the Embassy's sale of the School's vehicles, was an extraordinary circumstance calling for equitable consideration.

The Department of State has requested an advance decision on whether it can pay the Tehran American School $13,333.94 as part of the proceeds from a sale of three School vehicles that was arranged by the United States Embassy in Tehran, Iran. Although we conclude that the State Department cannot make the payment, we think the equities warrant our reporting the claim to the United States Congress under the Meritorious Claims Act of April 10, 1928, 31 U.S.C. § 236.

The facts show that as a result of the political tensions in Iran in 1979, in anticipation of closing, the Tehran American School arranged that the United States Embassy in Tehran sell three of the School's motor vehicles. The State Department informs us that United States Embassies provide this kind of assistance to American institutions operating in foreign countries. Although State indicates that occasionally the proceeds from these sales are given directly to the seller, since the School had closed, the monies were placed in the Embassy cashier's safe with other receipts normally kept in the safe. These receipts regularly were deposited in an account at the Tehran bank used by the Embassy.

As payment, the Embassy intended to have the United States disbursing office in Paris issue a $13,333.94 Treasury check drawn on funds deposited in the Tehran bank used by the Embassy. ($18,194.74 from the sale minus amounts owed by the School to the Embassy for outstanding telephone bills and other payables.) As a result of the Embassy seizure, however, the safe was lost and never recovered and the Paris disbursing office was not notified to make the payment.

The State Department has concluded that the sale of the motor vehicles was made in accordance with Department regulations, that the funds were properly maintained in the safe, and that the loss was not due to negligence. Although a Departmental legal memorandum presents arguments for and against paying the claim, State has concluded that the United States is responsible for the funds and that payment to the School is warranted.[1]

The legal memorandum accompanying the State Department submission characterized the relationship between the Embassy and the School as that between agent and principal. In this regard, it stated that if a principal's property is lost or stolen through no fault of the agent, generally the principal must bear the loss. It also noted that where an agent is authorized to commingle the principal's funds with the agent's to carry out the purposes of the agency, the agent is not liable for the loss. In support of this argument the memo suggests that the Embassy "appears to have been at least impliedly authorized to collect the proceeds of the sale in Iranian rupees and to commingle these funds with others on deposit with the Embassy * * *". On the other hand, the memo points out that agents often are required to segregate a principal's funds from their own and that commingling will make the agent a debtor of the principal.

We agree with the State Department that the relationship between the School and the Embassy was that of principal and agent. As such, the question raised is whether the Embassy breached its agent's duty to the School so as to make the Embassy liable to the School for loss of the proceeds from the sale of the vehicles.

An agent entrusted with the care and custody of his principal's property is a bailee of the property. *See, Preston* v. *Prather,* 137 U.S. 604, 613-14 (1891). Where the property involved is the money of a principal, the agent is required to keep it in a safe place, *Robbins* v. *Roumel,* 138 A.2d 922, 923 (Mun. Ct. App. D.C. 1958); however, the agent is not an insurer of its safety and absent negligence will not be liable if the money is lost or stolen. *E.g., Cave* v. *Lougee,* 67 S.E. 667 (Ga. 1910); *New Mexico Department of Health and Social Services* v. *Secretary of Agriculture,* 376 F. Supp. 953, 954-55 (D. Mex. 1973).

In this instance there is nothing in the record to suggest that the Embassy breached its duty to protect the School's monies. The funds in the safe were lost as a result of the seizure of the American Embassy, an event over which the United States had no control. Further, the State Department appears to have been acting ap-

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[1] The Department also has concluded that the Hostage Agreements between the United States and Iran precluded the United States from submitting the claim either to the Iranian Government or the Iran-United States Claims Tribunal.

propriately in its placing the School's money in its safe.

Generally an agent entrusted with a principal's money must keep it separately from his own, and, upon commingling the funds he becomes a debtor to the principal. *United States* v. *Marienfeld*, 116 F. Supp. 634, 638 (E.D. Mo. 1953), *aff'd.*, 214 F.2d 632, *cert. denied* 348 U.S. 865. On the other hand, a principal may consent to the agent's commingling his funds with the agent's, and the risk of loss of the funds is shifted back from the agent to the principal. 116 F. Supp. at 638.

The facts show that the Embassy commingling of the proceeds from the sale of the School's vehicles with other receipts in the safe was in the normal course of business and impliedly was undertaken with the School's consent. In this instance, the proceeds from the sale of the vehicles could not have been paid directly by the buyers to the School since the School had closed. The Embassy took the cash proceeds intending to deposit them in the bank with its normal weekly deposits and to order a Treasury check drawn against them. But for the seizure of the Embassy, the funds in the Embassy safe, including the receipts from the sale, would have been deposited in that bank. Since the school did not object to the Embassy following its regular procedures, we agree with the State Department memo that the School implicitly agreed to the commingling of the sale proceeds with other monies in the Embassy safe, and in accordance with the principles discussed above, the risk of loss was shifted to the School. It follows that since it was in no way negligent, the Embassy is not legally liable to the School for the loss of the $13,333.94.

Although we must disallow the claim, we conclude that the equities in this case warrant our reporting the claim to the United States Congress under the Meritorious Claims Act of 1928, 31 U.S.C. § 236. The Meritorious Claims Act provides that when a claim is filed in this Office that may not be lawfully adjusted by use of an appropriation theretofore made, but which claim, in our judgment, contains such elements of legal liability or equity as to be deserving of the consideration of Congress, it shall be submitted to the Congress with our recommendations. The remedy is an extraordinary one and its use is limited to extraordinary circumstances.

The cases we have reported for the consideration of the Congress generally have involved equitable circumstances of an unusual nature and which are unlikely to constitute a recurring problem, since to report to the Congress a particular case when similar equities exist or are likely to arise with respect to other claimants would constitute preferential treatment over others in similar circumstances. 53 Comp. Gen. 157, 158 (1973).

We think the seizure and occupation of the United States Embassy, and the resulting loss of the proceeds from the Embassy's sale of the School's vehicles, was an extraordinary circumstance calling for equitable consideration. Although other individuals and institutions were damaged by the hostilities in Iran, the State Department has informed us that it is not aware of any similar claims in which the Government had the direct responsibility for safeguarding the private party's funds. Also, the other parties, though apparently not the School, could have presented their claims to the Iran-United States Claims Tribunal. Accordingly, our report and recommendation that payment of the claim be authorized will be forwarded to the Congress.

MILTON J. SOCOLAR,
Acting Comptroller General
of the United States.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, June 15, 1982.

B-205984.

To the Congress of the United States:

The Meritorious Claims Act of April 10, 1928, 45 Stat. 413, 31 U.S.C. § 236 (1976), provides that:

"When there is filed in the General Accounting Office a claim or demand against the United States that may not lawfully be adjusted by the use of an appropriation theretofore made, but which claim or demand in the judgment of the Comptroller General of the United States contains such elements of legal liability or equity as to be deserving of the consideration of the Congress, he shall submit the same to the Congress by a special report containing the material facts and his recommendation thereon."

In accordance with that Act, we make the following report and recommendation on the claim of the Tehran American School for $13,333.94.

The facts in this case show that as a result of the political tensions in Iran in 1979, in anticipation of closing, the Tehran American School arranged that the United States Embassy in Tehran sell three of the School's motor vehicles. The State Department informed us that United States Embassies provide this kind of assistance to American institutions operating in foreign countries. Although State indicated that occasionally the proceeds from these sales are given directly to the seller, since the School had closed, the monies were placed in the Embassy cashier safe with other receipts normally kept in the safe. The other receipts regularly were deposited in an account at the Tehran bank used by the Embassy.[1]

For payment, the Embassy intended to have the United States disbursing office in Paris issue a $13,333.94 Treasury check drawn on funds deposited in the Tehran bank used by the Embassy. ($18,194.74 from the sale minus amounts owed by the School to the Embassy for outstanding telephone bills and other payables.) As a result of the Embassy seizure, however, the safe was lost and never recovered and the Paris disbursing office was not notified to make the payment.

In its submission to us the State Department stated that the sale of the motor vehicles was made in accordance with Department regulations, the funds were properly maintained in the safe, and the loss was not due to negligence. The Department also concluded that the United States was responsible for the funds and that payment to the School was warranted.[2]

We agreed with the State Department's characterization of the relationship between the School and the Embassy as that of principal and agent. As such, we concluded that there was nothing in the record to suggest that the Embassy breached its duty as agent to exercise reasonable care to protect the School's monies. The funds in the safe were lost as a result of the seizure of the American Embassy—an uncontrollable event.

We also found that the Embassy's commingling of the proceeds from the sale of the School's vehicle with other receipts in the safe was in the normal course of business and impliedly was undertaken with the School's consent. The proceeds from the sale of the vehicles could not have been paid directly by the buyer to the School since the School had closed. The Embassy took the cash proceeds intending to draw a Treasury check against the funds deposited in the Tehran bank used by the Embassy. But for the seizure of the Embassy, the funds in the Embassy safe, including the receipts from the sale, would have been deposited in that bank. There is nothing in the record to indicate that the School objected to the Embassy following its regular procedures for payment. Since the commingling of the proceeds of the sale with other monies in the Embassy safe was proper, we determined that the risk of loss was shifted to the School. Thus, the Embassy was not liable to the School for the $13,333.94.

The Meritorious Claims Act is an extraordinary remedy whose use is limited to extraordinary circumstances. The cases we have reported for the consideration of the Congress generally have involved equitable circumstances of an unusual nature, and which are unlikely to constitute a recurring problem, since to report to the Congress a particular case when similar equities exist or are likely to arise with respect to other claimants would constitute preferential treatment over others in similar circumstances. 53 Comp. Gen. 157, 158 (1973).

We think the seizure and occupation of the United States Embassy and resulting loss of the proceeds from the sale of the School's vehicles, was an extraordinary circumstance calling for equitable consideration. Although other individuals and institutions were damaged by the hostilities in Iran, the State Department has informed us that it is not aware of any similar claims in which the Government had the direct responsibility for safeguarding the private party's funds.

If the Congress agrees with our recommendation, it is suggested that enactment of a statute in substantially the following form will accomplish the desired result:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the Comptroller General of the United States be, and he hereby is, authorized and directed to settle and adjust the claim of the Tehran American School for $13,333.94 which amount constitutes proceeds from the sale of three motor vehicles arranged by the United States Embassy in Tehran, Iran in 1979. There is hereby appropriated from any money in the Treasury not otherwise appropriated such amount as may be necessary for the payment of the claim.

MILTON J. SOCOLAR,
Acting Comptroller General
of the United States.●

[1] A State Department official informed us that to the best of his knowledge the receipts held in the Embassy safe were deposited weekly.

[2] The Department determined that the Hostage Agreements between the United States and Iran precluded the United States from submitting the claim either to the Iranian Government or the Iran-United States Claims Tribunal.

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. BOSCHWITZ, his name was withdrawn as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform

product liability law, and for other purposes.

S. 281

At the request of Mr. RANDOLPH, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 281, a bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, and to give employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 337

At the request of Mr. MOYNIHAN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 337, a bill to amend the Internal Revenue Code of 1954 to make permanent the deduction for charitable contributions by nonitemizers.

S. 657

At the request of Mr. DOLE, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 657, a bill to amend the Animal Welfare Act to ensure the proper treatment of laboratory animals.

S. 914

At the request of Mr. MCCLURE, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 914, a bill to protect firearms owners' constitutional rights, civil liberties, and rights to privacy.

S. 1623

At the request of Mr. DOLE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1623, a bill to establish a National Commission on Neurofibromatosis.

S. 1910

At the request of Mr. PRESSLER, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1910, a bill to adapt principles of the Administrative Procedures Act to assure public participation in the development of certain positions to be taken by the United States in international organizations, and for other purposes.

S. 2353

At the request of Mr. GRASSLEY, the names of the Senator from Idaho [Mr. SYMMS] and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 2353, a bill to amend the Internal Revenue Code of 1954 to provide that one-half of the amounts paid by a self-employed taxpayer for his or her health insurance premiums will be allowed as a business deduction.

S. 2710

At the request of Mr. WALLOP, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2710, a bill to amend the Federal Power Act to provide for more protection to electric consumers.

S. 2770

At the request of Mr. MELCHER, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2770, a bill to protect consumers and franchised automobile dealers from unfair price discrimination in the sale by the manufacturer of new motor vehicles, and for other purposes.

S. 2894

At the request of Mr. MELCHER, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Maryland [Mr. SARBANES], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 2894, a bill to amend the Internal Revenue Code of 1954 to clarify the application of the imputed interest and interest accrual rules in the case of sales of residences, farms, and real property used in a trade or business.

S. 2923

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2923, a bill to amend title II of the Social Security Act to eliminate the 3 percent threshold amount for cost-of-living adjustments.

S. 2931

At the request of Mr. TRIBLE, the name of the Senator from Alabama [Mr. DENTON] was added as a cosponsor of S. 2931, a bill to facilitate certain space launches, and for other purposes.

SENATE JOINT RESOLUTION 320

At the request of Mr. PERCY, the names of the Senator from Iowa [Mr. JEPSEN], the Senator from New York [Mr. MOYNIHAN], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 320, a joint resolution regarding the implementation of the policy of the U.S. Government in opposition to the practice of torture by any foreign government.

SENATE JOINT RESOLUTION 340

At the request of Mr. THURMOND, the names of the Senator from Florida [Mrs. HAWKINS] and the Senator from Ohio [Mr. METZENBAUM] were added as cosponsors of Senate Joint Resolution 340, a joint resolution to designate the week of September 23, 1984, as "National Historically Black Colleges Week."

SENATE RESOLUTION 430

At the request of Mr. BYRD, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Resolution 430, a resolution to express the sense of the Senate on recess appointments.

SENATE RESOLUTION 433

At the request of Mr. RIEGLE, the names of the Senator from Montana [Mr. MELCHER], the Senator from Maryland [Mr. MATHIAS], the Senator from Vermont [Mr. LEAHY], the Senator from Maryland [Mr. SARBANES], and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Resolution 433, a resolution to congratulate the U.S. athletes who have participated in the games of the XXIII Olympiad and urge enactment of the Senate bill relating to the clarification of certain equal opportunity laws.

SENATE CONCURRENT RESOLUTION 137—RELATING TO CERTAIN CULTURAL EXCHANGE AGREEMENTS BETWEEN THE UNITED STATES AND THE SOVIET UNION

Mr. MATSUNAGA submitted the following concurrent resolution; which was referred to the Committee on Appropriations:

S. CON. RES. 137

Whereas since 1958, agreements between the United States and the Soviet Union have sponsored exchanges in the fields of science and technology, education, culture, and information, but activity under those agreements has declined in recent years;

Whereas on June 27, 1984, President Reagan announced plans to revive many of the bilateral agreements, stating that "certainly nothing is more worthy of our attention than finding ways to reach out and establish better communication with the people and the government of the Soviet Union;"

Whereas on June 27, 1984, the President specifically mentioned agreements in the fields of environmental protection, housing, health, agriculture and oceanography, which are among a number of science and technology agreements negotiated between the United States and the Soviet Union;

Whereas even under the best circumstances, United States participation in science and technology activities with the Soviet Union has been limited by an absence of funds specifically earmarked for activities under those agreements, such as travel funds and funds for arranging conferences and exchanging scientific papers; and

Whereas unless adequate funding is provided, the objectives sought by the President in his June 27, 1984, announcement may not be effectively realized: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that adequate funding should be provided to carry out existing bilateral scientific exchange agreements between the United States and the Union of Soviet Socialist Republics.

Mr. MATSUNAGA. Mr. President, I am today introducing legislation, Senate Concurrent Resolution 137, aimed at facilitating scientific exchanges between the United States and the Soviet Union, in accordance with a recent policy initiative announced by President Reagan.

On June 27, 1984, the President announced plans to seek expanded scientific and cultural exchanges with the U.S.S.R., despite, or perhaps because of, worsening relations between the two superpowers. "Civilized people everywhere have a stake in keeping contacts, communication and creativity as broad, deep, and free as possible," the President said, and he added: "Certainly nothing is more worthy of our attention than finding ways to reach out and establish better communication with the people and the government of the Soviet Union."

I could not agree more. I ask my Senate colleagues to imagine what relations in this body would be like, if Republicans and Democrats worked out of separate self-contained enclaves and met only over a negotiating table at irregular intervals. It's obvious: Our differences would be exaggerated by an order of magnitude. By comparison, for United States-Soviet relations, we can speak of several orders of magnitude. Now, some contend that communication with the Soviets implies validation of Soviet policies that we find repugnant. But I would argue the opposite.

If suspicion and mistrust are a Soviet disorder, finding institutional expression in totalitarianism and repression, then what we should be wary most of all is its contagion. And we should remind ourselves that the vaccine as well as the cure for that disorder happens to be a natural and extremely potent by-product of democratic society—namely, decongealing, cooperative activity, pursued without exaggerated expectations, with toughmindedness, with sagacity, with prudence, yes; but still, pursued.

In the case of scientific communication, the impetus is greater to the extent that the very language of science, its basic frame of reference, is international. There is no such thing as a Communist or a capitalist heart attack or cancer, or a Soviet or American hurricane or earthquake. The keys to the molecular building blocks of life are not the property of any nation or ideology. Environmental pollution does not respect national or cultural frontiers. Restricting communication among scientists on such transcendent subjects is in the interest of no one, least of all the members of a society which exceeds all others in its capacity to draw benefits from the free exchange of information.

President Reagan announced his new initiative at a White House luncheon attended by delegates to a conference on United States-Soviet exchanges organized by the Kennan Institute for Advanced Russian Studies of the Woodrow Wilson International Center for Scholars, which is an affiliate of the Smithsonian Institution. In his address, the President, urged expansion of activities under existing bilateral agreements in environmental protection, housing, health, and agriculture. Those 4 were among 11 official science and technology agreements negotiated by President Nixon and Chairman Brezhnev in the early 1970's and commonly known as the "bilaterals." Besides the four mentioned by President Reagan, four others are still in force, in oceanography, transportation, atomic energy, and artificial heart research. Although he did not mention the latter four by name, one must assume that, with the possible exception of atomic energy, they will also receive renewed emphasis consistent with declared policy. And that creates a problem that I believe President Reagan may have overlooked.

One of the sessions at the 2-day Kennan Institute Conference on United States-Soviet Exchanges—in fact, the session immediately preceding the White House luncheon on June 27—dealt with the bilaterals. The speakers consisted of representatives from the Federal agencies charged with administering those agreements—EPA, HHS, NIH, USDA, et cetera. The speakers appeared to agree on two points: First, that they obtained professional benefit from the exchanges, and second, that they were frustrated by a lack of funds.

Apparently, after negotiating the bilaterals, the Nixon administration failed to earmark appropriations for their implementation, and succeeding administrations following suit, more or less automatically, so that affected agencies were obliged to implement the agreements without additional funds. Thus, despite a commitment to the bilaterals at the policy level, their implementation at the working level was often subject to the unpredictable uncertainties of in-house funding. Often, it seemed, even when the White House was actively pursuing increased cooperation, agency program managers had to cancel promising activities, for lack of funds, for travel to the Soviet Union or for arranging a conference here.

Of course, such self-defeating constraints don't make any sense and I am sure they are due to inherited oversight that the administration would be happy to see rectified. The required investment is extremely modest in terms of the policy objectives it would serve—around $5 million, I am told, for annual administrative costs for the eight bilaterals that are still in force. Since I am also told that it will take a few months to gear up the bilaterals, and establish reliable cost estimates, I am withholding until next session any appropriation measure to provide the State Department with administration funds which would be channeled to the participating agencies as required.

The purpose of the sense of the Congress resolution I am introducing today is to make the participating agencies aware of congressional interest, intentions and desires, with the expectation that, pending an appropriation, they will assign priority to the bilaterals in the allocation of in-house funds. That's the least we can do in support of a most commendable initiative from the White House.

Finally, Mr. President, I would like to note that this resolution is a direct result of information obtained from the Conference on United States-Soviet Exchanges organized by the Kennan Institute, as part of a continuing series of meetings, lectures, and informal discussions on various aspects of United States-Soviet relations. I can think of no issue of greater urgency, about which we are in greater need of authoritative information, than relations between the two superpowers. Those of us in Washington with interests and responsibilities in that area are most fortunate to have the Kennan Institute, under the leadership of Dr. Herbert J. Ellison, in our midst. This is not the first time that national leaders have been directed in the proper course by the institute's activities, and I'm sure it won't be the last.

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS. Mr. President, I would like to announce for the information of the public that the Select Committee on Indian Affairs will hold a business meeting on Tuesday, September 11, 1984, beginning at 10 a.m., in Senate Russell 428-A on the following bills:

H.J. Res. 158. Joint resolution to make technical corrections in the act of January 25, 1983 (Public Law 97-459);

S. 1151. A bill to compensate heirs of deceased Indians for improper payments from trust estates to States or political subdivisions thereof as reimbursements for old age assistance received by decedents during their lifetime;

S. 2480. To declare that the mineral rights of certain lands acquired by the United States in connection with the Garrison Dam & Reservoir Project are held in trust for the Three Affiliated Tribes of the Ft. Berthold Reservation, and for other purposes;

S. 2663. Pertaining to the inheritance of trust or restricted land on the Lake Traverse Indian Reservation, North Dakota and South Dakota, and for other purposes;

S. 2823. To provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in dockets numbered 59 and 13E before the Indian Claims Commission and docket numbered 13F before the United States Claims Court, and for other purposes; and,

S. 2824. To provide for the use and distribution of certain funds awarded the Wyandotte Tribe.

Those wishing additional information should contact Paul Alexander or Peter Taylor of the committee at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. McCLURE. Mr. President, I would like to announce for the information of the Senate and the public the scheduling of a public hearing before the Committee on Energy and Natural Resources to receive testimony on the Bonneville Power Administration's repayment of obligations to the U.S. Treasury. This oversight hearing will be held on Thursday, September 13, beginning at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building.

For further information regarding this hearing you may wish to contact Mr. Gary Ellsworth of the committee staff at 224-5304.

NOTICE OF INTENTION TO AMEND SENATE RULES

Mr. RANDOLPH. Mr. President, I submit the following notice in writing: In accordance with Rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to amend Rule XII of the Standing Rules of the Senate for the purpose of proposing to the resolution (S. Res. 66), providing for regulations to implement television and radio coverage of the Senate, the following amendment:

At the end of the resolution add the following:

SEC. 8. Rule XII of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"(5) When yeas and nays are ordered on the floor, each Senator shall vote from the assigned desk of the Senator.".

ADDITIONAL STATEMENTS

U.S.A. PHILHARMONIC SOCIETY

● Mr. D'AMATO. Mr. President, I rise today to add my name as a cosponsor of Senate Resolution 412, to congratulate and commend the U.S.A. Philharmonic Society. This organization has as its worthy goal the development and cultivation of the rich musical talent that abounds in our country.

The U.S.A. Philharmonic Society will assure that the native artistic talent of our country has the opportunity to flourish and to stand as the symbol of our Nation's commitment to the arts. We should act now to pass this resolution.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notifications which have been received. Any portion which is classified information has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12180/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-65 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter of Offer to Denmark for defense articles and services estimated to cost $210 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-65]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Denmark.

(ii) Total Estimated Value: Major Defense Equipment,[1] $200 million; Other, $10 million; Total, $210 million.

(iii) Description of Articles or Services Offered: A quantity of twelve F-16A/B aircraft plus spares and support equipment.

(iv) Military Department: Air Force (SVI).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: August 10, 1984.

POLICY JUSTIFICATION

DENMARK—F-16 AIRCRAFT

The Government of Denmark has requested the purchase of a quantity of twelve F-16A/B aircraft plus spares and support equipment at an estimated cost of $210 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of Denmark; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

Denmark intends to use the additional F-16 aircraft to form a new squadron, which will be needed in the 1987-1989 delivery time frame. Denmark has the capability to absorb these aircraft.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Fort Worth, Texas.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Denmark.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

[1] As defined in Section 47(6) of the Arms Export Control Act.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-04829/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-62 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to Canada for defense articles and services estimated to cost $57 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-62]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: Canada.

(ii) Total Estimated Value: Major Defense Equipment,[1] $46 million; Other, $11 million; Total, $57 million.

(iii) Description of Articles or Services Offered: A quantity of two hundred twenty MK 46 Mod 5 torpedoes, logistics support, and services.

(iv) Military Department: Navy (AIU).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 June 1984.

(viii) Date Report Delivered to Congress: 10 August 1984.

POLICY JUSTIFICATION

CANADA—MK 46 MOD 5 TORPEDOES

The Government of Canada has requested the purchase of a quantity of two hundred twenty MK 46 Mod 5 torpedoes, logistics support, and services at an estimated cost of $57 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military

[1] As defined in Section 47(6) of the Arms Export Control Act.

capabilities of Canada; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The Government of Canada is requesting the tube launch configuration of the MK 46 Mod 5 torpedo which will improve surface combatant effectiveness. Canada will have no difficulty absorbing these weapons. This sale would upgrade the military capability of Canadian forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Defense Systems Division of Honeywell, Incorporated of Hopkins, Minnesota.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Canada.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12271/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-63 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed Letter of Offer to Italy for defense articles and services estimated to cost $200 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-63]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: The Republic of Italy, acting as lead nation (in accordance with Section 3(d) of the Arms Export Control Act) of a NATO consortium consisting of itself, Belgium, Denmark, Germany, the Netherlands, and Turkey. Other NATO nations may join the consortium in the future.

(ii) Total Estimated Value: $200 million for co-production.[1] (In the highly unlikely event that Italy purchases all 15,000 AGM-65D IR MAVERICK weapon systems without any co-production, the dollar value of the transaction could be as much as $1.5 billion.)

(iii) Description of Articles or Services Offered: The United States Government will sell some components along with related supplies, technical assistance, training and support equipment, and the technical data package for the co-production of other components for acquisition of up to 15,000 AGM-65D IR MAVERICK weapon systems.

(iv) Military Department: Air Force (NAG).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: 10 August 1984.

POLICY JUSTIFICATION

ITALY—IR MAVERICK WEAPON SYSTEM

The Republic of Italy, as the lead nation for itself, Belgium, Denmark, Germany, the Netherlands, and Turkey has requested the purchase of some components along with related supplies, technical assistance, training and support equipment, and the technical data package for the co-production of other components for acquisition of up to 15,000 AGM-65D IR MAVERICK weapon systems. Other NATO nations may join the consortium in the future. The total estimated value of this case is $200 million for the co-production option. In the highly unlikely event that Italy purchases all 15,000 weapon systems without any co-production, the dollar value of the transaction could be as much as $1.5 billion.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of our allies in fulfillment of their NATO obligations; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

Italy, Belgium, Denmark, Germany, the Netherlands, and Turkey all have a requirement for the AGM-65D IR MAVERICK weapon system. Other NATO nations may also have this requirement in the future. The IR MAVERICK weapon system will be fielded by these NATO nations in accordance with appropriate NATO integrated battlefield interdiction engagement procedures, providing the purchasing countries with a nighttime, all weather, anti-armor capability. Under this program, the IR MAVERICK weapon system will be manufactured by Italy using the technical data packages and the purchased components, all of which will be provided in accordance with and subject to the limitations on use and transfer provided for under the Arms Export Control Act. This program will result in purchases of approximately $200 million from the U.S. Government.

This sale will not adversely affect either the military balance in the region or U.S. efforts to encourage a negotiated settlement of the Cyprus question between Greece and Turkey.

The prime contractor will be the Hughes Aircraft Company of Canoga Park, California.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to any of the purchasing nations.

There will be no adverse effect on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12179/84ct.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-64 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Navy's proposed Letter of Offer to the United Kingdom for defense articles and services estimated to cost $151 million. Shortly after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF,
Director.

[Transmittal No. 84-64]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective Purchaser: United Kingdom

(ii) Total Estimated Value: Major Defense Equipment,[1] $82 million; Other, $69 million; Total, $151 million.

(iii) Description of Articles or Services Offered: A quantity of 12 PHALANX Close-In Weapon Systems MK 15 Mod 2, training, and related support.

(iv) Military Department: Navy (LEY and LEZ)

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending 30 June 1984.

(viii) Date Report Delivered to Congress: 10 August 1984.

POLICY JUSTIFICATION

UNITED KINGDOM—PHALANX CLOSE-IN WEAPON SYSTEMS

The Government of the United Kingdom (U.K.) has requested the purchase of a quantity of 12 PHALANX Close-In Weapon Systems MK 15 Mod 2, training, and related support at an estimated cost of $151 million.

This sale will contribute to the foreign policy and national security objectives of the United States by improving the military capabilities of the United Kingdom; furthering NATO rationalization, standardization, and interoperability; and enhancing the defense of the Western Alliance.

The sale of these 12 additional Close-In Weapon Systems would significantly enhance the close-in anti-aircraft warfare capability of U.K. ships. The U.K. has the military assets to utilize these systems effectively.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the General Dynamics Corporation of Pomona, California.

Implementation of this sale will require the assignment of one additional U.S. Government employee for 180 days and three contractor representatives for 180 days to the United Kingdom.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

ADVANCE NOTIFICATION OF PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million

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[1] As defined in Section 47(6) of the Arms Export Control Act.

[1] As defined in Section 47(6) of the Arms Export Control Act.

or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD-423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, August 10, 1984.

In reply refer to: I-12359/84ct.

Dr. HANS BINNENDIJK,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BINNENDIJK: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Middle Eastern country tentatively estimated to cost in excess of $50 million.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.●

IN RECOGNITION OF ROCHESTER'S RADIO READING SERVICES FOR THE VISUALLY HANDICAPPED

● Mr. D'AMATO. Mr. President, I rise today to make my colleagues aware of a very special event to occur in Rochester, NY, on September 19. On that day, WXXI, channel 21, the local public broadcasting station, the Rochester Reading Services, Inc. and the Rochester Association for the Blind will join together to present that area's first reading services for the print handicapped.

A visually handicapped citizen does not have the simple access to news and information that most of us with adequate eyesight take for granted. This radio reading program will open new doors and will knock down old barriers for the visually impaired. For thousands of the visually handicapped, this service will provide a convenient and immediate access to printed information.

The information available will be abundant. The service includes complete readings of local and national newspapers, books on the best-seller's list, magazines usually not available in braille, programs on visually handicapped rehabilitation, interviews with representatives from organizations and government agencies concerned with the visually handicapped, and entertainment programs.

From a small beginning in 1969, there are over 75 radio reading services across the United States today. Rochester's radio reading services will be the sixth such service offered in New York State alone. Potential listeners of this new service number over 47,000. The benefits of such a service are incalculable.

The radio reading service is the conduit for the visually handicapped, especially those just recently disabled, to be active and self-reliant members of the community. The visually impaired are currently dependent upon radio and television audio broadcasts for their information. These news programs, however detailed, cannot provide all of the information these people need to stay informed. Radio reading services will offer equal access to information that visually adequate citizens enjoy through the print media.

I commend WXXI, the Rochester Radio Reading Services, Inc., and the Rochester Association for the Blind for their untiring work on this important project. I expect the success of this program to add to the popularity of radio reading services so that someday soon all visually handicapped citizens will have access to printed information.●

BERGEN COUNTY RELIGIOUS LEADER RETIRES

● Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to a very popular and much loved resident of Bergen County, NJ, Rabbi Isaac Swift. After a career that has been dedicated to helping and serving others, Rabbi Swift is retiring.

This retirement will certainly mark the end of an era in Bergen County. Few men have contributed as much to the spiritual growth of our citizens as Rabbi Swift. For the past 24 years, he has been a very visible, vocal, and accessible leader of the community. His congregation is the Ahavath Torah, but because of his warmth, benevolence, and wonderful ability to communicate, he is known as everyone's rabbi.

In fact, it is his ability to communicate so well that has made him a legendary figure throughout the area. He has used this gift in his service to the congregation and in teaching posts in the New Jersey-New York area. The rabbi is an enthusiastic supporter when the cause is right and has never been afraid to speak out on behalf of others. Throughout the years, Rabbi Swift has also been committed to working with young people. Indeed, his track record for helping others is august and enviable.

Rabbi Swift was born in England and is a much traveled humanitarian. He has served communities around the world, in such places as Australia, New Zealand and Wales, before coming to the United States. He has worked for young and old, rich and poor, Jew and gentile alike. Social standing, nationality and economic background do not impress the rabbi. People do. And he has spent his life serving people.

Albert Einstein said, "Only a life lived for others is a life worthwhile." If that is the case, then Rabbi Swift has had a life and career worth more than words can express. I am sure the residents of Bergen County join me today in saluting Rabbi Swift's many achievements. He is being honored by the establishment of the Rabbi Isaac L. Swift chair of Judaic Studies at the Jewish Community Center on the Palisades in New Jersey. There, he will be able to continue to teach and inspire others. The Bergen County community can gather great solace in knowing his retirement is also a new beginning, in which Rabbi Swift will continue to be an active and important presence in his community's life.●

INTERPRETATIVE RULING 386

● Mr. STEVENS. Mr. President, the Select Committee on Ethics has received a number of questions on the application of Senate rule XXXV: Gifts, and of title I of the Ethics in Government Act of 1978, to use and display in a Member's office of loaned furniture, furnishings, and equipment. As a result of these questions, the committee agreed to the following interpretative ruling. As you will recall, a copy of this ruling was recently sent to all Senators in the form of a "Dear Colleague," dated August 8, 1984. In reviewing this ruling by the select committee, Senators should be aware that the disclosure requirement established in the ruling applies to all loaned furniture, furnishings, and office equipment currently being utilized within the office of a Senator, as well as to loaned furniture, furnishings, and office equipment which might be utilized by a Senator in the future.

The ruling follows:

INTERPRETATIVE RULING NO. 386

Date issued: August 8, 1984.

Applicable Rule or Area: 35; Ethics in Government Act of 1978.

Question considered: Are there any circumstances when a loan of an item might constitute a "gift", to which the restrictions of Senate Rule 35, on Gifts, and the finan-

cial disclosure requirements of the Ethics in Government Act, might apply?

Ruling: Items such as office furniture, furnishings and business equipment lent by owners to Members for use in a Senate office do not constitute gifts for purposes of the Gift Rule or the Financial Disclosure Act. They are, however, subject to the disclosure procedures set forth in this ruling.

Facts: The Ethics Committee has routinely ruled that no provision of the Code of Conduct prohibits Members from accepting the use of loaned furniture, furnishings, and office equipment for use in their offices. The rulings have also advised that use of the items is subject to approval by the Committee on Rules and Administration. Senators now ask whether they should disclose their use of those items.

Discussion: The definitions of the term "gift" in Senate Rule 35, at paragraph 2, and in the Act at section 107(3), both include the term "forbearance," which means the refraining of enforcement of something that is due, such as a debt, right, or obligation. Under this standard, the use of borrowed furniture or equipment could arguably qualify as a gift. At the same time, however, there are compelling reasons why these items should not be treated as gifts. First, the items are not meant for the personal use or permanent possession of Members or staff. Ownership is retained by the lender. Second, the items are frequently the products of Home State businesses and organizations which Members of Congress have a traditional role in promoting. Finally, in the case of business equipment, its use provides the Senate with an evaluation of its desirability for purchase by the Senate. For these reasons, the Committee decided that the restrictions of the Senate Gift Rule and the financial disclosure provisions of the Ethics in Government Act of 1978 are inapplicable.

Notwithstanding this determination, the Committee agreed that there is a public interest in providing a formal means for sanctioning and disclosing the use of private property for official use. To accomplish this objective, the Committee determined that all Members who either now possess or plan to use loaned furniture, furnishings, and equipment should submit a written request to the Ethics Committee for a determination that the arrangement is within the standards of the Code of Official Conduct. In turn, the Ethics Committee will make available for public inspection at the office of the Committee all responses which sanction the use of loaned furniture, furnishings, and equipment.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS

● Mr. STEVENS. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of Senate employees who propose to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 which would permit Mr. William Andrew Alford of the staff of Senator TRIBLE and Ms. Susan Aheron Magill of the staff of Senator WARNER to participate in a progam in Taipei, Taiwan, sponsored by the Sino-American Cultural and Economic Association from August 25 through September 1, 1984.

The committee has determined that participation by Mr. Alford and Ms. Magill in the program in Taipei, Taiwan at the expense of the Sino-American Cultural and Economic Association, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 which would permit Senator and Mrs. Jeremiah A. Denton, Jr., Mr. Richard Gideon of Senator DENTON's staff, and Mr. Joel Lisker of the staff of the Subcommittee on Security and Terrorism, to participate in a conference in Taipei, Taiwan, sponsored by the Chinese National Association of Industry and Commerce, during the last week of August 1984.

The committee has determined that participation by Mr. and Mrs. Denton, and Messrs. Gideon and Lisker, in the conference in Taipei, Taiwan, at the expense of the Chinese National Association of Industry and Commerce, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.●

TRIBUTE TO DR. SHERWOOD BERG

● Mr. PRESSLER. Mr. President, Dr. Sherwood Berg officially stepped down as president of South Dakota State University on July 31, 1984, but his fine reputation for dedication to excellence in higher education will not be retired.

A long list of accomplishments decorates the record of his 9-year tenure. Sherwood Berg is recognized as a world expert in agricultural economics. I have had the pleasure of discussing various agricultural concerns and the results of several related research projects conducted by the university with Dr. Berg. I have always been a supporter of the agriculture extension programs at SDSU, and Dr. Berg has consistently maintained the high quality of these essential learning tools.

Sherwood Berg is credited with enhancing the curricula of numerous programs at SDSU. A tuition reciprocity policy beneficial to Minnesota and South Dakota students was initiated under the leadership of Dr. Berg. This and many other programs were implemented during a period of severe economic strain and strict budget constraints on the university.

His hard work and commitment to SDSU will not be forgotten, but perhaps more importantly, "Woody" Berg will be remembered as a caring and devoted person. Students and faculty recall his leadership with respect and admiration. Woody's guidance and experience unified the school during some very difficult times. The solicitous efforts of this man to provide the best education possible for the students of SDSU have made Sherwood Berg a much beloved person on the SDSU campus, in the Brookings community, and across South Dakota. As chief administrator of South Dakota State University, Sherwood Berg certainly will be missed.

The Sioux Falls Argus-Leader and the Mitchell Daily Republic featured articles highlighting Dr. Berg's career, and I wish to share those records of this outstanding educator's achievements with my colleagues. I ask that the articles from these South Dakota newspapers be printed at this point in the RECORD.

The material follows:

[From the Sioux Falls Argus-Leader, Apr. 22, 1984]

BERG'S NOTABLE WORK FOR SOUTH DAKOTA STATE

Sherwood Berg, South Dakota State University's 14th president and first graduate to become its chief administrator, will leave behind a fine record of service when he retires this summer.

In nine years at SDSU, Berg has maintained the integrity of educational programs despite difficult economic circumstances brought on by the economic recession and two periods of drought in the state.

The institution has maintained and enhanced quality and accreditation in various fields, including engineering, pharmacy, music education and journalism.

The College of Nursing has added a Master of Science degree and upper mobility programs at Aberdeen and Rapid City for nurses to take college subjects while working. SDSU has added a computer science major, an Ag Extension major and its first endowed chair, in nutrition.

During Berg's tensure, pharmacy, horticulture/forestry and the Family Resources Center added new buildings constructed with some money from alumni and friends of the university. Joint programs were undertaken with the University of South Dakota in agricultural law and economics and in criminal justice.

It was Berg's idea that sparked initial discussions with Minnesota on tuition reciprocity—a program that has benefited both states.

He will probably be remembered most for his work in taking SDSU into the international arena. He is recognized as a world expert in agricultural economics and encouraged internationalization of SDSU's curricula and programs of study.

Five years ago—at the invitation of the Agency for International Development and Botswana—SDSU began a long-term program to help that African country expand and improve its agricultural college.

The university has used the federal government's Title XII program of strengthening grants ($100,000 a year for five years) to encourage faculty members to become more aware of and proficient in helping less developed countries deal with their problems, particularly agricultural ones.

Berg gave regents a year's notice that he would retire July 31. That helped the board

in its quest of a successor—Ray Hoops—and will facilitate a smooth transition.

Two special events, a roast on May 5 and a public reception on May 9, will honor Berg for his service to SDSU. He and his wife, Elizabeth, expect to keep a home in Brookings. He will be 65 on May 17.

Bert already has had offers from AID (the U.S. Agency for International Development) to assist in its wide-ranging programs around the world. Wherever he goes, we think he'll be an effective traveling ambassador for South Dakota.

Berg, a native of Hendrum, Minn., has given much of himself to his adopted state from the time he enrolled at Brookings in 1940. He deserves a pat on the back and thanks for a difficult job well done.

[From the Mitchell Daily Republic, Apr. 24, 1984]

RETIRING SDSU PRESIDENT BERG TO STAY IN BROOKINGS

SIOUX FALLS, SD (AP).—Syttende Mai—Norway's independence day—has added significance this year for Sherwood Berg, a full-blooded Norwegian who's a native of Hendrum, Minn.

That day, May 17, Berg turns 65, the birthday he calls "that old milestone along life's career path." It's the age at which he decided to step down after nine years as president of South Dakota State University.

He retires July 31.

What's ahead for Sherwood Berg? Of all the places he and his wife, Betty, could live—they have a daughter in England and a son, a professional deep-sea diver, in Singapore—they picked Brookings, in a house just three blocks from the SDSU campus. Berg will be president emeritus and an economics professor and will teach economics courses when asked.

He also said he has opportunities to do consulting work with agricultural education projects in Santo Domingo and Indonesia.

Berg earned his undergraduate degree in agricultural economics from SDSU in 1947. He stayed in that academic discipline, earning a master's degree at Cornell University in 1948 and a doctorate at the University of Minnesota in 1951.

Berg was president during a time of economic woes for South Dakota, including recessions, two big droughts and a string of funding problems for public higher education.

"These meant that the resources that we've had to work with have been curtailed and we haven't been able to strengthen the faculty to the degree that we might, we haven't been able to re-equip and renovate many of the laboratories that we have, and we've had to forestall the drive that we might have had to finish out some of the capital improvements that we have on campus," Berg said in an interview.

But good things also developed at SDSU since 1975, when Berg took over after spending six years in the foreign agriculture service; six years as head of the University of Minnesota agricultural economics department; 10 years as the school's dean of the institute of agriculture, forestry and home economics; and two years on an agriculture mission to Indonesia.

SDSU attracted many more foreign students, its agricultural programs added an international flavor, faculty members took the lead in academic improvements and the student leadership has been impressive, Berg said.

"I found him to be a very inspirational person," said Jerry Tunheim, an SDSU physics professor who was chairman of the school's academic senate in the 1979-80 school year. The group is made up of about 30 faculty, students and administrators.

"Dr. Berg, because of the fact that he was always willing to listen and you always had the feeling that he really, truly did consider the faculty, he kept friction to a minimum," Tunheim said.

Nels Granholm, current academic senate chairman, and Cindy Junker, SDSU Student Association president, also said one of Berg's strengths was his willingness to listen.

Berg "held the campus together through all the regents' resolutions and budget cuts," Tunheim said.

In the late 1970s, the regents tried to save money and eliminate duplication by passing resolutions making the seven state-run colleges rank their programs on priority lists, with lower-priority programs running the risk of being canceled.

"It was a challenge, no question about it," Berg said when asked how hard it was to balance the books and keep everybody happy. He said the goal was to keep and enhance the programs that were within the scope and mission of SDSU.

"We've maintained accreditation in every area and we've expanded accreditation to other areas."●

REPUBLICAN PLATFORM

Mr. BAKER. Mr. President, this is the first day of our resumed session in this session of the Congress. Many of us have returned from the Republican National Convention in Dallas. May I say first I was extraordinarily impressed by the hospitality of that city and State, and I wish to congratulate them on their successful hosting of one of our Nation's two great political conventions.

I was privileged to participate in that convention as temporary chairman along with my colleague on the other side of the Capitol, Congressman MICHEL, who serves as permanent chairman.

Mr. President, I ask unanimous consent that a copy of the Republican platform as adopted at that convention be printed in the RECORD at this point.

There being no objection, the Republican platform was ordered to be printed in the RECORD, as follows:

REPUBLICAN PLATFORM—AMERICA'S FUTURE FREE AND SECURE

(Proposed by the Committee on Resolutions to the Republican National Convention, August 20, 1984)

PREAMBLE

This year, the American people will choose between two diametrically opposed visions of what America should be.

The Republican Party looks at our people and sees a new dawn of the American spirit.

The Democratic Party looks at our nation and sees the twilight of the American soul.

Republicans affirm that now, as throughout history, the spiritual and intellectual genius of the American people will create a better nation and maintain a just peace. To Republicans, creativity and growth are imperatives for a new era of opportunity for all.

The Republican Party's vision of America's future, the heart of our 1984 Platform, begins with a basic premise:

"From freedom comes opportunity; from opportunity comes growth; from growth comes progress."

This is not some abstract formula. It is the vibrant, beating heart of the American experience. No matter how complex our problems, no matter how difficult our tasks, it is *freedom* that inspires and guides the American Dream.

If everything depends on freedom—and it does—then securing freedom, at home and around the world, is one of the most important endeavors a free people can undertake.

Thus, the title of our Platform, "America's Future: Free and Secure," is more than a summary of our Platform's message. It is the essence.

The Democratic Party understands none of this. It thinks our country has passed its peak. It offers Americans redistribution instead of expansion, contraction instead of growth, and despair instead of hope. In foreign policy it asserts the rhetoric of freedom, but in practice it follows a policy of withdrawal and isolation.

The Democratic Party, in its 1984 Platform, has tried to expropriate the optimism and vision that marked the 1980 Republican Platform.

Rhetorical pilfering of Republican ideals cannot disguise one of history's major ironies: the party whose 1932 standard-bearer told the American people, as president, that all we have to fear is fear itself has itself become the party of fear.

Today we declare ourselves the Party of Hope—not for some but for all.

It has been said that mercy must have a human heart and pity a human face. We agree. Democrats measure social programs in terms of government activity alone. But the divine command to help our neighbor is directed to each individual and not to a bureaucratic machine. Not every problem cries out for a federal solution.

We must help the poor *escape* poverty by building an economy which creates more jobs, the greatest poverty figher of them all. Not to help the poor is to abandon them and demean our society; but to help the poor without offering them a chance to escape poverty is ultimately to degrade us all.

The great tasks of compassion must be accomplished both by people who care and by policies which foster economic growth to enhance all human development.

In all these areas, at home and abroad, Ronald Reagan has demonstrated the boldness of vision, the optimism for our future, and the confidence in the American people that can transform human lives and the life of a nation. That is what we expect from a President who, wounded by an assassin, walked his way into a hospital and cheerfully assured the world that he and his country would not be deterred from their destiny.

His example has shaped the 1984 Republican Platform, given it meaning and inspired its vision. We stand with President Reagan and with Vice President Bush to make it a reality.

ECONOMIC FREEDOM AND PROSPERITY

Free Enterprise, Democracy, and the Role of Government

Free enterprise is fundamental to the American way of life. It is inseparable from the social, religious, political, and judicial institutions which form the bedrock of a

nation dedicated to individual freedom and human rights.

Economic growth enables all citizens to share in the nation's great physical and spiritual wealth, and it is maximized by giving them the fullest opportunity to engage in economic activities and to retain the rewards of their labor.

Our society provides both a ladder of opportunity on which all can climb to success and a safety net of assistance for those who need it. To safeguard both, government must protect property rights, provide a sound currency, and minimize its intrusions into individual decisions to work, save, invest, and take risks.

The role of the federal government should be limited. We reaffirm our conviction that State and local governments closest to the people are the best and most efficient. While President Reagan has done much to alleviate federal regulatory and bureaucratic burdens on individuals and businesses, Congress has failed to act. The size and scope of the federal government remains much too large and must be reduced.

During the Carter-Mondale Administration, no group of Americans was spared from the impact of a failing economy. Family budgets were stretched to the limit to keep pace with increases in taxes and costs of food, energy, and housing. For the first time, owning a home slipped out of reach for millions. Working people saw their wage increases outpaced by inflation. Older Americans saw their savings and retirement incomes consumed by basic living costs. Young people found job opportunities narrowing. Disadvantaged Americans faced an inefficient and wasteful bureaucracy which perpetuated programs of dependency. American business and industry faced recession, unemployment, and upheaval, as high interest rates, inflation, government regulation, and foreign competition combined to smother all enterprise and strike at our basic industries.

When President Reagan took office in 1981, our economy was in a disastrous state. Inflation raged at 12.4 percent. The cost of living had jumped 45 percent in the Carter-Mondale years. The prime rate was 21.5 percent. Federal spending increases of 17 percent per year, massive tax rate increases due to inflation, and a monetary policy debasing the dollar had destroyed our economic stability.

We brought about a new beginning. Americans are better off than they were four years ago, and they're still improving. Almost six and one-half million have found jobs since the recovery began, the largest increase in our history. One and one-half million have come in manufacturing—a part of our economy designated for stagnation and government control by Democrats. More than 107 million Americans, more than ever before, are working. Their industry proves that policies which increase incentives for work, saving, and investment do lead to economic growth, while the redistributionist policies of the past did cause unemployment, declining incomes, and idle industries.

We will therefore continue to return control over the economy to the people. Our policies will maximize the role of the individual and build on the success of the past four years: (a) the most rapid decline in unemployment of any post-World War II recovery; (b) inflation dramatically reduced; (c) interest rates significantly cut; (d) a 25 percent cut in federal tax rates; (e) automatic tax increases eliminated by indexing tax rates; (f) the financial holdings of American families increased by over $1.8 trillion; (g) oil prices down 35 percent in real terms; and (h) 300 million hours once devoted to government paperwork returned to individuals and business.

Our most important economic goal is to expand and continue the economic recovery and move the nation to full employment without inflation. We therefore oppose any attempts to increase taxes, which would harm the recovery and reverse the trend to restoring control of the economy to individual Americans. We favor reducing deficits by continuing and expanding the strong economic recovery brought about by the policies of this Administration and by eliminating wasteful and unnecessary government spending. Mondale-Ferraro, by contrast, boast that they will raise taxes, with ruinous effects on the economy.

To assure workers and entrepreneurs the capital required to provide jobs and growth, we will further expand incentives for personal saving. We will expand coverage of the Individual Retirement Account, especially to homemakers, and increase and index the annual limits on IRA contributions. We will increase the incentives for savings by moving toward the reduction of taxation of interest income. We will work for indexation of capital assets and elimination of the double taxation of dividends to increase the attractiveness of equity investments for small investors.

We oppose withholding on dividend and interest income. It would discourage saving and investment, create needless paperwork, and rob savers of their due benefits. A higher personal saving rate is key to deficit control. We therefore oppose any disincentives to thrift.

History has proven again and again that wage and price controls will not stop inflation. Such controls only cause shortages, inequities, and ultimately high prices. We remain firmly opposed to the imposition of wage and price controls.

We are committed to bringing the benefits of economic growth to all Americans. Therefore, we support policies which will increase opportunities for the poorest in our society to climb the economic ladder. We will work to establish enterprise zones in urban and rural America; we will work to enable those living in government-owned or subsidized housing to purchase their homes. As part of our effort to reform the tax system, we will reduce disincentives to employment which too often result in a poverty trap for poor American families.

Fiscal and Monetary Policy

Taxation

A major goal of all Republicans in 1980 was to reduce the oppressive tax rates strangling Americans. The tax burden, which had increased steadily during the Carter-Mondale Administration, was at a record high and scheduled to go even higher. Taxes as a percentage of GNP rose from 18.2 percent in 1976 to 21 percent in 1981 and would have reached 24 percent by 1984. The tax bill for the median-income family of four had risen from $1,713 in 1976 to $2,778 in 1980 and would have reached $3,943 in 1984.

Double-digit inflation had pushed individuals into ever higher marginal tax brackets. High marginal tax rates reduced the incentive for work, saving, and investment, and retarded economic growth, productivity, and job creation.

With the Economic Recovery Tax Act of 1981, we carried out the first phase of tax reduction and reform by cutting marginal tax rates by 25 percent. Tax brackets were indexed to prevent tax hikes through bracket creep. In addition, families received further relief by reducing the marriage penalty and lowering estate and gift taxes.

Businesses and workers benefitted when we replaced outdated depreciation systems with the accelerated cost recovery system, reduced capital gains tax rates, and lowered the pressures which high tax rates place on wage demands. Investment in plants and equipment has increased 16.5 percent since 1982, resulting in 6.3 million new jobs.

In 1980, we promised the American people a tax cut which would be progressive and fair, reducing tax rates across-the-board. Despite Democrat opposition we succeeded in reducing the tax rates of all taxpayers by about 25 percent with low-income taxpayers receiving a slightly larger percentage tax reduction than high-income taxpayers. These sound economic policies have succeeded. We will continue our efforts to further reduce tax rates and now foresee no economic circumstances which would call for increased taxation.

The bulk of the tax cut goes to those who pay most of the taxes: middle-income taxpayers. Nearly three-fourths of its benefits go to taxpayers earning less than $50,000. In fact, these taxpayers now pay a smaller percentage of total income taxes than they did in 1980; and those earning more than $50,000 pay a larger percentage of total income taxes than they did in 1980.

As a result, the income tax system is fairer now than it was under Carter-Mondale. To keep it fair, Republicans indexed the tax code: starting in 1985, individual tax brackets, the zero bracket amount, and the personal exemption will be adjusted annually for inflation. As a result, cost of living raises will no longer push taxpayers into higher brackets.

For years, congressional big spenders used inflation as a silent partner to raise taxes without taking the heat for passing tax increases. With indexing, taxpayers will be protected against that theft. Low- and moderate-income taxpayers benefit the most from indexing and would bear the brunt of the hidden tax increases if it were repealed.

Nearly 80 percent of the tax increase from the repeal of indexing would fall on taxpayers earning less than $50,000. For a family of four earning $10,000, repeal of indexing would result in a staggering 40 percent tax increase over the next five years. We pledge to preserve tax indexing. We will fight any attempt to repeal, modify, or defer it.

The Republican Party pledges to continue our efforts to lower tax rates, change and modernize the tax system, and eliminate the incentive-destroying effects of graduated tax rates. We therefore support tax reform that will lead to a fair and simple tax system and believe a modified flat tax—with specific exemptions for such items as mortgage interest—is a most promising approach.

For families, we will restore the value of personal exemptions, raising it to a minimum of $2,000 and indexing to prevent further erosion. We will preserve the deduction for mortgage interest payments. We will propose an employment income exclusion to assure that tax burdens are not shifted to the poor. Tax reform must not be a guise for tax increases. We believe such an approach will enhance the income and opportunities of families and low- and middle-income Americans.

We oppose taxation of churches, religious schools, or any other religious institutions. However, we do believe that any business

income unrelated to the religious function of the institution should be subject to the same taxes paid by competing businesses.

We oppose the setting of artifically high interest rates which would drastically curtail the ability of sellers to finance sales of their own property. Rather, we encourage marketplace transfer of homes, farms, and smaller commercial properties.

Spending and Budget

The Republican Party believes the federal budget must be balanced. We are committed to eliminating deficits and the excessive spending that causes them. In 1980, federal spending was out of control, increasing at a rate of over 17 percent. We have cut that growth rate by almost two-thirds.

But Congress ignored many of the President's budget reforms. It scaled back and delayed the tax cuts. As a result, we began to pay the price for the irresponsible spending and tax policies of the Carter-Mondale Administration. The resulting recession dramatically increased the deficit, and government spending continues at an unacceptable level.

Democrats claim deficits are caused by Americans' paying too little in taxes. Nonsense. We categorically reject proposals to increase taxes in a misguided effort to balance the budget. Tax and spending increases would reduce incentives for economic activity and threaten the recovery.

Even when we achieve full employment and even with robust economic growth, federal spending—including credit programs and other off-budget items—will remain too high. As a percentage of GNP, it must be reduced.

The congressional budget process is bankrupt. Its implementation has not brought spending under control, and it must be thoroughly reformed. We will work for the constitutional amendment requiring a balanced federal budget passed by the Republican Senate but blocked by the Democratic-controlled House and denounced by the Democrat Platform. If Congress fails to act on this issue, a constitutional convention should be convened to address only this issue in order to bring deficit spending under control.

The President is denied proper control over the federal budget. To remedy this, we support enhanced authority to prevent wasteful spending, including a line-item veto.

Monetary Policy

Our 1980 Platform promised to bring inflation under control. We did it. This cruelest tax—hitting hardest at the poor, the aged, and those on fixed incomes—raged up to 13.3 percent under Carter-Mondale. We have brought it down to about 4 percent and we strive for lower levels. The effects of our program have been dramatic. Real, after-tax incomes are rising. Food prices are stable. Interest rates have fallen dramatically, leading to a resurgence in home building, auto purchases, and capital investment.

Just as our tax policy has only laid the groundwork for a new era of prosperity, reducing inflation is only the first step in restoring a stable currency. A dollar now should be worth a dollar in the future. This allows real economic growth without inflation and is the primary goal of our monetary policy.

The Federal Reserve Board's destablizing actions must therefore stop. We need coordination between fiscal and monetary policy, timely information about Fed decisions, and an end to the uncertainties people face in obtaining money and credit. The Gold Standard may be a useful mechanism for realizing the Federal Reserve's determination to adopt monetary policies needed to sustain price stability.

Domestically, a stable dollar will mean lower interest rates, rising real wages, guaranteed value for retirement and education savings, growth of assets through productive investment, affordable housing, and greater job security.

Internationally, a stable dollar will mean stable exchange rates, protection for contract prices, commodity prices which change only when real production changes, greater resources devoted to job-creating investment, less protectionist pressure, and increased trade and income for all nations.

Regulatory Reform

Our 1980 Platform declared that "excessive regulation remains a major component of our nation's spiraling inflation and continues to stifle private initiatives, individual freedom, and State and local government autonomy." President Reagan's regulatory reform program contributed significantly to economic recovery by removing bureaucratic roadblocks and encouraging efficiency.

In many fields, government regulation either did not achieve its goals or made limited improvements at exorbitant costs. We have worked with industry and labor to get better results through cooperation rather than coercion.

The flood of regulation has stopped. The number of new regulations has been halved. Unrestrained growth in the size and spending of the regulatory workforce has stopped. Some $150 billion will thereby be saved over the next decade by consumers and businesses. In the past four years alone, 300 million hours of government-mandated paperwork were eliminated. We have reduced the regulatory burden on Americans by making government rules as cost-effective as possible. We must maintain this progress through comprehensive regulatory reform legislation and a constitutional procedure which will enable Congress to properly oversee executive branch rules by reviewing and, if necessary, overturning them.

So consumers can have the widest choice of services at the lowest possible prices, Republicans commit themselves to breaking down artificial barriers to entry created by antiquated regulations. With the explosion of computer technologies just beginning to enhance our way of life, we will encourage rather than hinder innovative competition in telecommunications and financial services.

There are still federal statutes that keep Americans out of the work force. Arbitrary minimum wage rates, for example, have eliminated hundreds of thousands of jobs and, with them, the opportunity for young people to get productive skills, good work habits, and a weekly paycheck. We encourage the adoption of a youth opportunity wage to encourage employers to hire and train inexperienced workers.

We demand repeal of prohibitions against household manufacturing. Restrictions on work in the home are intolerable intrusions into our private lives and limit economic opportunity, especially for women and the homebound.

Support For Small Business

America's small business entrepreneurs have led the way in fueling economic recovery. Almost all the 11 million non-farm businesses in the United States are small, but they provide over 50 million jobs. We must keep them strong to ensure lasting prosperity. Republicans reaffirm our historic ties with independent business people and pledge continued efforts to help this energetic segment of our economy.

We have created a climate conducive to small business growth. Our tax rate reductions increased incentives for entrepreneurial activity and provided investment capital through incentives to save. Reduced capital gains taxes further stimulated capital formation and increased the return on small business investment. Greater depreciation allowances encouraged modernization. Estate tax changes will allow families to keep the rewards of their labors.

We have insisted on less federal interference with small business. As a result, burdensome regulations were reduced, and runaway agencies like OSHA were reined in. We have ensured that the federal government pays its bills on time or pays interest penalties.

Presidential action has focused needed attention on increased government procurement from small and minority businesses. In FY 1983 the Small Business Administration directed $2.3 billion in federal sole-source contracts to minority firms through its 8(a) program—a 45 percent increase over 1980. This record amount was achieved along with management improvements that eliminated past abuses in that program.

Three million women business owners are generating $40 billion in annual receipts and creating many new jobs. Yet, their enterprises face barriers in credit, access to capital, and technical assistance. They lag far behind in federal procurement contracts. We are dedicated to helping them become full partners in the economic mainstream of small business.

To them and to all who make America grow, we reaffirm our commitment to reduce marginal tax rates further. We oppose any scheme to roll back the estate tax cuts and will seek further reductions for family businesses. Moreover, we support lower capital gains tax rates and indexation of asset values to protect investors from inflation.

We will create enterprise zones to revitalize economically depressed areas by offering simplified regulation and lower taxes for small businesses that relocate there.

We will make it easier for small businesses to compete for government contracts, not only to assist the private sector but also to provide competition and greater cost control in federal purchases.

In a continuing effort to offset our balance of trade deficit, we reaffirm our strong support for this nation's tourism industry.

Science and Technology

We pledge to continue the Reagan Administration's science and technology policies, which have enhanced economic recovery and our nation's research capability.

We have refocused federal research and development spending on basic research, and it has increased more that 50 percent.

We propose to extend the incremental research and development tax credit to stimulate greater activity in the private sector.

To allow U.S. firms to compete on an equal footing with foreign companies, we will permit U.S. firms to cooperate in joint research and development projects.

Energy

In 1980, energy prices were at all-time highs and rising rapidly. The OPEC cartel had an iron grip on free world economies. Oil imports rose, and domestic production

fell under Carter-Mondale price controls and allocations. Competition in energy markets declined.

We have all but eliminated those disastrous policies. President Reagan's immediate decontrol of oil prices precipitated a delcine in real oil prices and increased competition in all energy markets. Oil price decontrol crippled the OPEC cartel.

The results have been dramatic. Imported oil prices are down 35 percent in real terms. The real price of gasoline is at a five-year low. Energy consumption has declined relative to economic growth. Energy efficiency increased by 12 percent since 1980, with lower costs to businesses and families. The Strategic Petroleum Reserve is now four times larger than in 1980, providing significant protection against any disruption in imports.

We will complete America's energy agenda. Natural gas should be responsibly decontrolled as rapidly as possible so that families and businesses can enjoy the full benefits of lower prices and greater production, as with decontrolled oil. We are committed to the repeal of the confiscatory windfall profits tax, which has forced the American consumer to pay more for less and left us vulnerable to the energy and economic stranglehold of foreign producers.

While protecting the environment, we should permit abundant American coal to be mined and consumed. Environmentally sound development of oil and natural gas on federal properties (which has brought the taxpayers $20 billion in revenue in the last four years) should continue. We believe that as controls have been lifted from the energy marketplace, conservation and alternative sources of energy, such as solar, wind, and goethermal, have become increasingly cost-effective. We further take pride in the fact that Reagan Administration economic policies have created an environment most favorable to the small businesses that pioneer these alternative technologies.

We now have a sound, long-term program for disposal of nuclear waste. We will work to eliminate unnecessary regulatory procedures so that nuclear plants can be brought on line quickly, efficiently, and safely. We call for an energy policy, the stability and continuity of which will restore and encourage public confidence in the fiscal stability of the nuclear industry.

We are committed to the termination of the Department of Energy. President Reagan has succeeded in abolishing that part which was telling Americans what to buy, where to buy it, and at what price—the regulatory part of DOE. Then he reduced the number of bureaucrats by 25 percent. Now is the time to complete the job.

Agriculture

Securing a Prosperous Rural America

The Republican Party is thankful for, and proud of, the ability of American farmers and ranchers to provide abundant, high quality, and nutritious food and fiber for all our citizens and millions more throughout the world. This unmatched ability to produce is basic to this country's high standard of living. We recognize that a prosperous agriculture is essential to the future of America and to the health and welfare of its people. We have set the stage for securing prosperity in rural America. In 1979, farm and ranch production costs increased 19 percent, in 1983 they actually declined by almost 3 percent. The prime interest rate has been brought down from 21.5 percent to 13 percent. Our reputation as a reliable world food and fiber supplier has been restored. Despite that remarkable beginning, much remains to be done.

We believe well managed, efficient American farm and ranch operations are the most cost-effective and productive food and fiber suppliers in the world, and therefore have the inherent economic capability and right to make a profit from their labor, management, and investments. The primary responsibility of government with respect to agriculture is to create the opportunity for a free and competitive economic and policy environment supportive of the American farmers' and ranchers' industrious and independent spirit and innovative talent. We further believe that, to the extent some well-managed and efficient farms and ranches are temporarily unable to make a profit in the marketplace, it is in the public interest to provide reasonable and targeted assistance.

The Carter-Mondale Administration, and 28 years of a Congress rigidly controlled by the Democrats and out of touch with the people, brought farmers and ranchers to the hardest times since the Great Depression. Farm and ranch incomes fell to disastrous levels. Uncontrolled inflation and the highest interest rates in over a century prevented farmers from operating at a profit, and 300,000 of them out went out of business under Carter-Mondale.

In the span of but four devastating years, the Carter-Mondale Administration managed to jeopardize this country's agricultural heritage by putting America's farmers $78 billion further in debt (a 75 percent increase) and inflating farmers' annual food and fiber production costs by $46 billion (55 percent increase). These irresponsible inflationary policies led to spiraling land values and to the illusion of enhanced debt-bearing wealth. This paper wealth was converted into very real and unavoidable debt. Debt payments, combined with record cost of production levels, have presented many farmers and ranchers with severe cash flow problems. On top of all that came the Carter-Mondale grain embargo of 1980. Thus, one begins to understand the origins of the financial stress farmers and ranchers are experiencing today. Adding insult to injury, farmers and ranchers found themselves blamed as Carter-Mondale inflation ballooned consumer food costs by $115 billion, a 50 percent increase in four years.

Republicans support a sound agricultural credit policy, including the Farm Credit System, to meet agriculture's expanded credit needs. We support an extensive examination of agricultural and rural credit and crop insurance programs to assure they are adequately serving our farmers and rural residents.

Interest Rates and Farm and Ranch Indebtedness

The magnitude of indebtedness and the level of interest rates significantly influence farm and ranch profitability. The interrelationship between high interest rates and the high value of the dollar has caused an erosion in our competitive position in export markets. Republicans recognize that lower interest rates are vital to a healthy farm and ranch economy and pledge that an economic priority of the first order will be the further lowering of interest rates by intensifying our efforts to cut federal spending to achieve a balanced budget and by reforming Federal Reserve policy.

Republicans are very much aware of the devastating impact which high interest rates have had, and continue to have, on the viability of America's farmers and ranchers. We also realize that, unless interest rates decline significantly in the near future, the character of American agriculture and rural life will be tragically changed. For these reasons, we pledge to pursue every possible course of action, including the consideration of temporary interest rate reductions, to ensure that the American farmer or rancher is not a patient that dies in the course of a successful economic operation.

Republicans are cognizant that there are many well-managed, efficient, farm and ranch operations which face bankruptcy and foreclosure. The foreclosures and resulting land sales will jeopardize the equity positions of neighboring farms and ranches, compounding financial problems in agriculture. Republicans pledge to implement comprehensive Farmers Home Administration and commercial farm and ranch debt restructuring procedures, including the establishment of local community farm and ranch finance committees, which will advise borrowers, lenders, and government officials regarding debt restructuring alternatives and farmer and rancher eligibility.

Setting the Stage for Farm and Ranch Recovery

Sensitive to the needs of farmers and ranchers, we have made the best of the tools available to deal with the Carter-Mondale failure. Among the many specific accomplishments of the Reagan Administration in agriculture, Republicans are proud to have:

Lifted the Carter-Mondale grain embargo and demonstrated by word and deed that farm and ranch product embargoes will not be used as a tool of foreign policy, negotiated a long term agreement with the Soviet Union, and strengthened our credibility as a reliable supplier by enacting contract sanctity legislation.

Increased food assistance and agricultural export financing programs to over $7 billion, a record level.

Challenged unfair export subsidy practices and aggressively countered them with "blended credit" and other export expansion programs.

Achieved major breakthroughs in Japan's beef and citrus quotas, allowing our exports to double over four years.

Resisted protectionist efforts by other industries, such as domestic content legislation, that would cause a backlash against U.S. farm and ranch exports.

Developed and implemented the PIK program to draw down burdensome reserve stocks of major commodities created by the Carter-Mondale embargo.

Reformed bankruptcy law to provide for accelerated distribution of farm products in bankrupt elevators, acceptance of warehouse receipts and scale tickets as proof of ownership, and allowing a lien against elevator assets for unpaid farmers.

Eliminated the marriage tax penalty for a surviving spouse and protected family farms and ranches by exempting, by 1987, up to $600,000 from estate taxes.

Accelerated depreciation of farm and ranch equipment and buildings and increased the exemption for agricultural vehicles from the heavy vehicle use tax.

Increased the gasoline tax exemption by 50 percent for alcohol fuels, stimulating demand for domestic grain production and reducing dependency on foreign oil.

Worked with rural credit and farm and ranch lending institutions to assure adequate capital at the lowest possible interest rates.

Responded to the emergency financial needs of farmers and ranchers stricken by drought and flood.

We want real profits for farmers and ranchers. We have begun the turnaround on farm and ranch incomes. Sound fiscal, monetary, and growth-oriented tax policies are essential if farmers and ranchers are to realize sufficient and enduring profits. We support legislation to permit farmers, ranchers, and other self-employed individuals to deduct from their gross income up to one-half of the cost of their personal hospitalization insurance premiums.

Government policies should strengthen the ability of farmers and ranchers to provide quality products at reasonable rates of return in an expanding economy. We believe that federal farm programs should be tailored to meet the economic needs and requirements of today's structurally diverse and internationally oriented agriculture. These programs must be sensitive to potential impacts on all agriculture, especially non-program commodities, livestock, agribusiness, and rural communities.

Republicans believe that the future of American agriculture lies in the utilization of our rich farmland, advanced technology, and hard working farm and ranch people, to supply food and fiber to the world. Traditional farm programs have threatened the confidence of America's farmers and ranchers and exhausted the patience of American taxpayers. We reject the policy of more of the same, and we further reject the Democrats' public utility vision of agriculture which views it as a problem to be minimized by further political and bureaucratic management. Our new programs will bring the flexibility to adjust to rapidly changing export market conditions and opportunities, and, in a timely and effective manner, respond to the inherent, uncontrollable risks of farming and ranching.

Rural Americans impart a special strength to our national character, important to us all. Whether farmers or not, all rural citizens should have the same consideration as those who live in towns and cities in economic development, energy, credit, transportation availability, and employment. Opportunities for non-farm jobs have become increasingly important to farm and ranch families, enhancing life and work in rural America.

Toward Fair and Expanded Markets and Responding to Hunger

Agriculture is an international advantage for the United States. But a successful farm and ranch policy demands earnest attention to building on the strength of our domestic production capacity and to developing world markets, for American agriculture cannot be prosperous without exports.

Our farmers and ranchers must have full access to world markets and should not have to face unfair export subsidies and predatory dumping by other producing nations without redress. Republicans believe that unfair trade practices and non-tariff barriers are so serious that a comprehensive renegotiation of multilateral trade agreements must be undertaken to revitalize the free, fair, and open trade critical to worldwide economic growth.

The Republican Party is unalterably opposed to the use of embargoes of grain or other agricultural products as a tool of foreign policy. The Carter-Mondale grain embargo is still—more than any other factor—the cause of the present difficulties in American agriculture and possibly the irretrievable loss of foreign markets. Republicans say, "Never again." The Democratic Platform says nothing.

American has a long history of helping those in need, and the responsibility for food assistance has been shared by federal and State governments and neighborhood volunteers. Federal expenditures in this area exceeded $19 billion in 1983, the highest amount ever. Numerous private and public efforts assure that adequate food is available. This expresses faith in our future and reflects our people's goodness.

We will provide adequate resources in programs ranging from food stamps to school lunches for the truly needy. We also recognize that fraud and abuse must be eliminated from those programs. We stress maximum local control consistent with national objectives.

Reducing Excessive Regulation in Agriculture

Excessive federal regulations, many imposed by the Carter-Mondale Administration, have been a crushing burden.

In 1980, we pledged to make sensible reductions in regulations that drained the profitability from farming, ranching, and commercial fishing. We did just that. We restored balance to the Interior Department's ineffective predator-control policies, and we moderated the EPA's and the FDA's excessive adherence to "zero risk" standards concerning the use of pesticides, antibiotics, food additives, and preservatives.

Republicans favor modernizing our food-safety laws, providing guidelines for risk-benefit assessment, peer review, and regulatory flexibility consistent with other health and safety policies.

Soil and Water Conservation

Agriculture must be both economically and environmentally sustainable. The soil and water stewardship of our farmers, ranchers, watermen, and rural people is commendable. Republicans believe that long-term soil, water, and other conservation policies, emphasizing environmentally sound agricultural productivity, rangeland protection, fish and wildlife habitat, and balanced forestry management, must be a top priority. Conservation practices must be intensified and integrated with farm programs to safeguard our most valuable resources. Volunteer participation, emphasizing State and local control and adequate incentives, is essential to effective conservation.

Water Policy

In 1980, we pledged a water policy which addressed our national diversity in climate, geography, reclamation needs, and patterns of land ownership. We promised a partnership between the States and federal government which would not destroy traditional State supremacy in water law, and which would avert a water crisis in the coming decades. That partnership is now working to meet these challenges.

The Future of Farming

American agriculture is the world's most successful because of the hard work and creativity of family farmers and ranchers. They have benefitted immensely from agricultural research, extension, and teaching, unequalled in the world. Cooperative extension, operating in every country, brings the results of USDA and Land Grant University research to rural America. We support these programs, with special attention to marketing efficiencies, reduced production costs, and new uses for farm and ranch commodities. We also encourage the establishment of regional international research and export trade centers.

Our agricultural people have developed the ideals of free enterprise and have based their enterprise on our culture's basic element, the family. The family farm and ranch is defined as a unit of agricultural production managed as an enterprise where labor and management have an equity interest in the business and a direct gain or loss from its operation. Family farms and ranches are the heart, soul, and backbone of American agriculture; it is the family farm that makes our system work better than any other.

Our rural and coastal people developed a great diversity of support organizations. They organized farm and ranch cooperatives, and rural electric and telephone cooperatives to provide essential services. They established farm and ranch organizations to work for better farm policies and to improve the quality of rural life. Republicans note with particular pride and enthusiasm the vital impact women have always had in American farming and ranching, and we support efforts to increase their role.

American agriculture has always relied upon the hardworking people who harvest seasonal and perishable crops. Republicans support comprehensive farm-labor legislation, fair to workers *and* employers, to protect consumers from work stoppages which disrupt the flow of food.

Republicans also recognize the tremendous efforts of commercial fishers to bring nutritious seafood products to market, thus strengthening America's food base.

Our agriculture is both a global resource and a tremendous opportunity. Only America possesses the natural, technological, management, and labor resources to commercially develop agriculture's next frontier.

We are encouraged by innovation in agriculture, and applaud its diversity, creativity, and enterprise. Commercial applications of new technology and marketing and management innovations are creating additional opportunities for farming and ranching. Republicans have set the stage for building a new prosperity into our fundamentally strong agriculture system. We renew our national commitment to American farmers and ranchers.

International Economic Policy

The recent tremendous expansion of international trade has increased the standard of living worldwide. Our strong economy is attracting investment in the United States, which is providing capital needed for new jobs, technology, higher wages, and more competitive products.

We are committed to a free and open international trading system. All Americans benefit from the free flow of goods, services and capital, and the efficiencies of a vigorous international market. We will work with all of our international trading partners to eliminate barriers to trade, both tariff and non-tariff. As a first step, we call on our trading partners to join in a new round of trade negotiations to revise the General Agreement on Tariffs and Trade in order to strengthen it. And we further call on our trading partners to join us in reviewing trade with totalitarian regimes.

But free trade must be fair trade. It works only when all trading partners accept open markets for goods, services, and investments. We will review existing trade agreements and vigorously enforce trade laws including assurance of access to all markets

for our service industries. We will pursue domestic and international policies that will allow our American manufacturing and agricultural industries to compete in international markets. We will not tolerate the loss of American jobs to nationalized, subsidized, protected foreign industries, particularly in steel, automobiles, mining, footwear, textiles, and other basic industries. This production is sometimes financed with our own tax dollars through international institutions. We will work to stop funding of those projects which are detrimental to our own economy.

The greatest danger today to our international trade is a growing protectionists sentiment. Tremendous fluctuations in exchange rates have rendered long-term international contracts virtually useless. We therefore urge our trading partners to join us in evaluating and correcting the structural problems of the international monetary system, to base it on more stable exchange rates and free capital markets.

Further, we support reorganization of trade responsibilities in order to reduce overlap, duplication, and waste in the conduct of international trade and industry.

Revisions in that system will stabilize trade relations so that debtor nations can repay their debts. These debts are the direct result of their domestic policies, often mandated by multilateral institutions, combined with the breakdown of the international monetary system. Slower economic growth, reduced imports, and higher taxes will not relieve debt burdens, but worsen them. The only way to repay the debts is to create productive capacity to generate new wealth through economic expansion, as America has done.

Austerity should be imposed not on people, but on governments. Debtor nations seeking our assistance must increase incentives for growth by encouraging private investment, reducing taxes, and eliminating subsidies, price controls, and politically motivated development projects.

Security for the Individual

America was built on the institutions of home, family, religion, and neighborhood. From these basic building blocks came self-reliant individuals, prepared to exercise both rights and responsibilities.

In the community of individuals and families, every generation has relearned the art of self-government. In our neighborhoods, Americans have traditionally taken care of their needs and aided the less fortunate. In the process we developed, independent of government, the remarkable network of "mediating institutions"—religious groups, unions, community and professional associations. Prominent among them have been innumerable volunteer groups, from fire departments and neighborhood-watch patrols to meals-on-wheels and the little leagues.

Public policy long ignored these foundations of American life. Especially during the two decades preceding Ronald Reagan's election, the federal government eroded their authority, ignored their rights, and attempted to supplant their functions with programs at once intrusive and ineffectual. It thereby disrupted our traditional patterns of caring, sharing, and helping. It elbowed out the voluntary providers of services and aid instead of working through them.

By centralizing responsibility for social programs in Washington, liberal experimenters destroyed the sense of community that sustains local institutions. In many cases, they literally broke up neighborhoods and devastated rural communities.

Washington's governing elite thought they knew better than the people how to spend the people's money. They played fast and loose with our schools, with law enforcement, with welfare, with housing. The results were declining literacy, and learning, an epidemic of crime, a massive increase in dependency, and the slumming of our cities.

Worst of all, they tried to build their brave new world by assaulting our basic values. They mocked the work ethic. They scorned frugality. They attacked the integrity of the family and parental rights. They ignored traditional morality. And they still do.

Our 1980 Republican Platform offered a renewed vision. We based it upon home, family, and community as the surest guarantees of both individual rights and national greatness. We asserted, as we do now, the ethical dimension of public policy: the need to return to enduring principles of conduct and firm standards of judgment.

The American people responded with enthusiasm. They knew that our roots, in family, home, and neighborhood, do not tie us down. They give us strength. Once more we call upon our people to assert their supervision over government, to affirm their rights against government, to uphold their interests within government.

Housing and Homeownership

Homeownership is part of the American Dream. For the last two decades, that dream has been endangered by bad public policy. Government unleashed a dreadful inflation upon homebuyers, driving mortgage rates beyond the reach of average families, as the prime rate rose more than 300 percent (from 6.5 percent to 21.5 percent). The American worker's purchasing power fell ever year from 1977 through 1980.

No wonder the housing industry was crippled. Its workers faced recurrent recessions. The boom-and-bust cycle made saving foolish, investment risky, and housing scarce.

Federal housing blighted stable low-income neighborhoods, disrupting communities which people had held together for generations. Only government could have wasted billions of dollars to create the instant slums which disgrace our cities.

In our 1980 Platform, we pledged to reverse this situation. We have begun to do so, despite obstructionism from those who believe that the taxpayer's home is government's castle.

We attacked the basic problem, not the symptoms. We cut tax rates and reduced inflation to a fraction of the Carter-Mondale years. The median price house that would cost $94,800 if Carter-Mondale inflation had continued now costs $74,200. The average monthly mortgage payment, which rose by $342 during the Carter-Mondale years, has increased just $24 since January 1981. The American Dream has made a comeback.

To sustain it, we must finish the people's agenda.

We reaffirm our commitment to the federal-tax deductibility of mortgage interest payments. In the States, we stand with those working to lower property taxes that strike hardest at the poor, the elderly, and large families. We stand, as well, with Americans earning possession of their homes through "sweat-equity" programs.

We will, over time, replace subsidies and welfare projects with a voucher system, returning public housing to the free market.

Despite billions of dollars poured into public housing developments, conditions remain deplorable for many low-income Americans who live in them. These projects have become breeding grounds for the very problems they were meant to eliminate. Their dilapidated and crumbling structures testify to decades of corrupt or incompetent management by poverty bureaucrats.

Some residents of public housing developments have reversed these conditions by successfully managing their own housing units through creative self-help efforts. It is abundantly clear that their pride of ownership has been the most important factor contributing to the efficiency of operation, enhancing the quality of housing, improving community morale, and providing incentives for their self-improvement. The Republican Party therefore supports the development of programs which will lead to homeownership of public housing developments by current residents.

We strongly believe in open housing. We will vigorously enforce all fair housing laws and will not tolerate their distortion into quotas and controls.

Rent controls promise housing below its market cost but inevitably result in a shortage of decent homes. Our people should not have to underwrite any community which erodes its own housing supply by rent control.

Sound economic policy is good housing policy. In our expanding economy, where people are free to work and save, they will shelter their families without government intrusion.

Welfare

Helping the less fortunate is one of America's noblest endeavors, made possible by the abundance of our free and competitive economy. Aid should be swift and adequate to ensure the necessities of a decent life.

Over the past two decades, welfare became a nightmare for the taxpayer and the poor alike. Fraud and abuse were rampant. The costs of public assistance are astronomical, in large part because resources often benefit the welfare industry rather than the poor.

During the 1970s, the number of people receiving federal assistance increased by almost 300 percent, from 9 million to 35 million, while our population increased by only 11.4 percent. This was a fantastic and unsustainable universalization of welfare.

Welfare's indirect effects were equally as bad. It became a substitute for urgently needed economic reforms to create more entry-level jobs. Government created a hellish cycle of dependency. Family cohesion was shattered, both by providing economic incentives to set up maternal households and by usurping the breadwinner's economic role in intact families.

The cruelest result was the maternalization of poverty, worsened by the breakdown of the family and accelerated by destructive patterns of conduct too long tolerated by permissive liberals. We endorse programs to assist female-headed households to build self-sufficiency, such as efforts by localities to enable participants to achieve permanent employment.

We have begun to clean up the welfare mess. We have dramatically reduced the poor's worst enemy—inflation—thereby protecting their purchasing power. Our resurgent economy has created over six million new jobs and reduced unemployment by 30 percent.

We have launched real welfare reforms. We have targeted benefits to the needy through tighter eligibility standards, en-

forced child-support laws, and encouraged "workfare" in the States. We gave States more leeway in managing welfare programs, more assistance with fraud control, and more incentives to hold down costs.

Only sustained economic growth, continuing our vigorous recovery, can give credible hope to those at the bottom of the opportunity ladder.

The working poor deserve special consideration, as do low-income families struggling to provide for their children. As part of a comprehensive simplification of the federal tax code, we will restore the real value of their personal tax exemptions so that families, particularly young families, can establish their economic independence.

Federal administration of welfare is the worst possible, detached from community needs and careless with public's money. Our long tradition of State and local administration of aid programs must be restored. Programs and resources must be returned to State and local governments and not merely exchanged with them. We will support block grants to combine duplicative programs under State administration.

We must also recognize and stimulate the talents and energy of low-income neighborhoods. We must provide new incentives for self-help activities that flow naturally when people realize they *can* make a difference. This is especially critical in foster care and adoption.

Because there are different reasons for poverty, our programs address different needs and must never be replaced with a unitary income guarantee. That would betray the interests of the poor and the taxpayers alike.

We will employ the latest technology to combat welfare fraud in order to protect the needy from the greedy.

Whenever possible, public assistance must be a transition to the world of work, except in cases, particularly with the aged and disabled, where that is not appropriate. In other cases, it is long overdue.

Remedying poverty requires that we sustain and broaden economic recovery, hold families together, get government's hand out of their pocketbooks, and restore the work ethic.

Health

Our tremendous investment in health care has brought us almost miraculous advances. Although costs are still too high, we have dramatically enhanced the length and quality of life for all.

Faced with Medicare and Medicaid mismanagement, government tried to ration health care through arbitrary cuts in eligibility and benefits. Meanwhile, inflation drove up medical bills for us all. Economic incentives were backwards, with little awareness of costs by individual patients. Reimbursement mechanisms were based on expenses incurred, rather than set prospectively. Conspicuously absent were free-market incentives to respond to consumer wishes. Instead, government's heavy hand was everywhere.

We narrowly averted disaster. We moved creatively and carefully to restructure incentives, to free competition, to encourage flexible new approaches in the States, and to identify better means of health-care delivery. Applying these principles, we will preserve Medicare and Medicaid. We will eliminate the excesses and inefficiencies which drove costs unacceptably high in those programs. In order to assure their solvency and to avoid placing undue burdens on beneficiaries, reform must be a priority. The Republican Party reaffirms its commitment to assure a basic level of high quality health care for all Americans. We reaffirm as well our opposition to any proposals for compulsary national health insurance.

While Republicans held the line against government takeover of health care, the American people found private ways to meet new challenges. There has been a laudable surge in preventive health care and an emphasis on personal responsibility for maintaining one's health. Compassionate innovation has developed insurance against catastrophic illness, and capitated "at risk" plans are encouraging innovation and creativity.

We will maintain our commitment to health excellence by fostering research into yet-unconquered diseases. There is no better investment we as a nation can make than in programs which hold the promise of sounder health and longer life. For every dollar we spend on health research, we save many more in health care costs. Thus, what we invest in medical research today will yield billions of dollars in individual productivity as well as in savings in Medicare and Medicaid. The federal government has been the major source of support for biomedical research since 1945. That research effort holds great promise for combatting cancer, heart disease, brain disorders, mental illness, diabetes, Alzheimer's disease, sickle cell anemia, and numerous other illnesses which threaten our nation's welfare. We commit to its continuance.

Many health problems arise within the family and should be dealt with there. We affirm the right and responsibility of parents to participate in decisions about the treatment of children. We will not tolerate the use of federal funds, taxed away from parents, to abrogate their role in family health care.

Republicans have secured for the hospice movement an important role in federal health programs. We must do more to enable persons to remain within the unbroken family circle. For those elderly confined to nursing homes or hospitals, we insist that they be treated with dignity and full medical assistance.

Discrimination in health care is unacceptable; we guarantee, especially for the handicapped, non-discrimination in the compassionate healing that marks American medicine.

Government must not impose cumbersome health planning that causes major delays, increases construction costs, and stifles competition. It should not unduly delay the approval of new medicines, nor adhere to outdated safety standards hindering rapidly advancing technology.

We must address ailments, not symptoms, in health-care policy. Drug and alcohol abuse costs thousands of lives and billions of dollars every year. We reaffirm our vigorous commitment to alcohol and drug abuse prevention and education efforts. We salute the citizens' campaign, launched from America's grassroots, against drunk driving. We applaud those States which raised the legal drinking age.

Much illness, especially among the elderly, is related to poor nutrition. The reasons are more often social than economic: isolation, separation from family, and often a mismatch between nutritional needs and available assistance. This reinforces our efforts to protect federal nutrition programs from fraud and abuse, so that their benefits can be concentrated upon the truly needy.

A supportive environment linking family, home, neighborhood, and workplace is essential to a sound health policy. The other essential step is to encourage the individual responsibility and group assistance that are uniquely American.

Environment

It is part of the Republican philosophy to preserve the best of our heritage, including our natural resources. The environment is not just a scientific or technological issue; it is a human one. Republicans put the needs of people at the center of environmental concerns. We assert the people's stewardship of our God-given natural resources. We pledge to meet the challenges of environmental protection, economic growth, regulatory reform, enhancement of our scenic and recreational areas, conservation of our nonrenewable resources, and preservation of our irreplaceable natural heritage.

Americans were environmentalists long before it became fashionable. Our farmers cared for the earth and made it the world's most bountiful. Our families cared for their neighborhoods as an investment in our children's future. We pioneered the conservation that replenished our forests, preserved our wildlife, and created our national park system.

The American people have joined together in a great national effort to protect the promise of our future by conserving the rich beauty and bounty of our heritage. As a result, by almost any measure, the air is cleaner than it was 10 years ago, and fish are returning to rivers where they had not been seen for generations.

Within the last four years, dramatic progress has been made in protecting coastal barrier islands, and we began the Park Preservation and Restoration Program to restore the most celebrated symbols of our heritage. We support programs to restore and protect the nation's estuaries, wetland resources, and beaches.

The Republican Party endorses a strong effort to control and clean up toxic wastes. We have already tripled funding to clean up hazardous waste dumps, quadrupled funding for acid rain research, and launched the rebirth of the Chesapeake Bay.

The environmental policy of our nation originated with the Republican Party under the inspiration of Theodore Roosevelt. We hold it a privilege to build upon the foundation we have laid. The Republican Party supports the continued commitment to clean air and clean water. This support includes the implementation of meaningful clean air and clean water acts. We will continue to offer leadership to reduce the threat of our environment and our economy from acid rain, while at the same time preventing economic dislocation.

Even as many environmental problems have been brought under control, new ones have been detected. And all the while, the growth and shifts of population and economic expansion, as well as the development of new industries, will further intensify the competing demands on our national resources.

Continued progress will be much more difficult. The environmental challenges of the 1980s are much more complex than the ones we tried to address in the 1970s, and they will not yield quickly to our efforts. As the science and administration of environmental protection have become more sophisticated, we have learned of many subtle and potentially more dangerous threats to public health and the environment.

In setting out to find solutions to the environmental issues of the 1980s and 1990s, we

start with a healthly appreciation of the difficulties involved. Detecting contamination, assessing the threat, correcting the damage, and setting up preventive measures, all raise questions of science, technology, and public policy that are as difficult as they are important. However, the health and well being of our citizens must be a high priority.

The number of people served by waste water treatment systems has nearly doubled just since 1970. The federal government should offer assistance to State and local governments in planning for the disposal of solid and liquid wastes. A top priority nationwide should be to eliminate the dumping of raw sewage.

We encourage recycling of materials and support programs which will allow our economic system to reward resource conservation.

We also commit ourselves to the development of renewable and efficient energy sources and to the protection of endangered or threatened species of plants and wildlife.

We will be responsible for future generations, but at the same time, we must remember that quality of life means more than protection and preservation. As Teddy Roosevelt put it, "Conservation means development as much as it does protection." Quality of life also means a good job, a decent place to live, accommodation for a growing population, and the continued economic and technological development essential to our standard of living, which is the envy of the whole world.

Transportation

America's overall transportation system is unequalled. Generating over 20 percent of our GNP and employing one of every nine people in the work force, it promotes the unity amid diversity that uniquely characterizes our country. We travel widely, and we move the products of field and factory more efficiently and economically than any other people on earth.

And yet, four years ago, the future of American transportation was threatened. Over several decades, its vigor and creativity had been stunted by the intrusion of government regulation. The results were terribly expensive, and consumers paid the price. Our skies and highways were becoming dangerous and congested. With the same vision that marked President Eisenhower's beginning of the Interstate Highway System, the Reagan Administration launched a massive modernization of America's transport systems.

An expanded highway program is rebuilding the nation's roads and bridges and creating several hundred thousand jobs in construction and related fields. Driving mileage has increased by 8 percent, but greater attention to safety had led to a 17 percent reduction in fatalities, saving more than 8,000 lives yearly.

In public transit, we have redefined the federal role to emphasize support for capital investment, while restoring day-to-day responsibility to local authorities.

Our National Airspace Plan is revolutionizing air traffic control. It will improve flight safety and double the nation's flight capacity, providing better air service and stimulating economic growth.

Regulatory reform is revitalizing American transportation. Federal agencies had protected monopolies by erecting regulatory barriers that hindered the entry of new competitors. Small businesses and minority enterprises were virtually excluded. Prices were set, not by the public through free exchange, but by Washington clerks through green eyeshades.

Republicans led the successful fight to break government's stranglehold. The deregulation of airline economics (not their safety!) will be completed on December 30, 1984, when the Civil Aeronautics Board closes its doors forever. Through our regulatory reform efforts, the rail and trucking industries are now allowed to compete in both price and service. We also led the fight to deregulate interstate bus operations by enacting the Bus Regulatory Reform Act of 1982. While returning to a more free and competitive marketplace, we have ensured that small communities in rural America will retain necessary services through transitional assistance like the Essential Air Service Program, which will continue for four more years.

The Shipping Act of 1984 secured the first major reform of maritime law, as it applies to the U.S. liner trade, since 1916. This major step introduces genuine competition to the maritime industry, while enhancing our ability to compete against international cartels. Important in peacetime, critical in times of conflict, one of our proudest industries had long been neglected. We have expanded employment and brought hope of a future worthy of its past. The Reagan defense program now provides more work for our shipyards than at any time since World War II. We seek to halt the decline of our commercial fleet and restore it to economic strength and strategic capacity to fulfill its national obligations. We also seek to maximize the use of our nation's existing port facilities and shipbuilding and repair capability as a vital transportation resource that should be preserved in the best long-term interest of this country.

The American people benefit from regulatory reform. Air travellers now have a remarkable range of options, and flight is within reach of the average family budget. In the trucking business, increased competition has lowered prices and improved service.

The future of America's freight rail system is again bright. As a result of our reforms, the major private railroads have climbed back to profitability. Government red tape caused their red ink; by cutting the former, we are wiping out the latter. In addition, we transformed Conrail from a multi-billion dollar drain on the taxpayers into an efficient, competitive freight railroad. Returning Conrail as a financially sound single entity to private ownership, with service and jobs secure, will provide the nation with an improved rail freight system to promote economic growth. It will also return to the Treasury a significant portion of the taxpayers' investment, virtually unheard of for a federal project. We support improved passenger rail service where economically justified. We have made substantial progress in reducing the taxpayers' subsidy to Amtrak while maintaining services for which there is genuine demand. The Reagan Administration is selling the Alaska Railroad to the State of Alaska and transferring Conrail's commuter lines to the jurisdictions they serve.

The Republican Party believes that the nation's long-term economic growth will depend heavily on the adequacy of its public works infrastructure. We will continue to work to reverse the long-term decline that has occurred. We should foster development of better information on the magnitude and effectiveness of current federal, State, and local government capital expenditures and innovative financing mechanisms which would improve our capacity to leverage limited federal funds more effectively.

America's leadership in space depends upon the vitality of free enterprise. That is why we encourage a commercial space-transportation industry. We share President Reagan's vision of a permanent manned space station within a decade, viewing it as the first stepping stone toward creating a multi-billion dollar private economy in space. The permanent presence of man in space is crucial both to developing a visionary program of space commercialization and to creating an opportunity society on Earth of benefit to all mankind. We are, after all, the people who hewed roads out of the wilderness. Our families crossed ocean, prairie, and desert no less dangerous than today's space frontier to reach a new world of opportunity. And every route they took became a highway of liberty.

Like them, we know where we are going: forward, toward a future in our hands. Because of them, and because of us, our children's children will use space transportation to build both prosperity and peace on earth.

Education and Youth

Our children are our hope and our future. For their sake, President Reagan has led a national renewal to get back to the "basics" and excellence in education. Young people have turned away from the rebellion of the 1960s and the pessimism of the 1970s. Their hopeful enthusiasm speaks better for a bright future than any government program.

During the Reagan Administration, we restored education to prominence in public policy. This change will clearly benefit our youth and our country. By using the spotlight of the Oval office, the Reagan Administration turned the nation's attention to the quality of education and gave its support to local and State improvement efforts. Parents and all segments of American society responded overwhelmingly to the findings of the National Commission on Excellence in Education, appointed by President Reagan. Its report, along with others from prominent experts and foundations, provided the impetus for educational reform.

Ronald Reagan's significant and innovative leadership has encouraged and sustained the reform movement. He catapulted education to the forefront of the national agenda and will be remembered as a president who improved education.

Unlike the Carter-Mondale Democrats, Republicans have levelled with parents and students about the problems we face together. We find remedies to these problems in the common sense of those most concerned: parents and local leaders. We support the decentralization necessary to put education back on the right track. We urge local school communities, including parents, teachers, students, administrators, and business and civic leaders, to evaluate school curricula—including extra-curricular activities and the time spent in them—and their ultimate effect upon students and the learning process. We recognize the need to get "back to basics" and applaud the dramatic improvements that this approach has already made in some jurisdictions.

In schools, school districts, and States throughout our land, the past year and one-half has been marked by unprecedented response to identified education deficiencies. *The Nation Responds*, a recent report by the Reagan Administration, referred to a "tidal-wave of school reform which promises to

renew American education." According to that report:

Forty-eight States are considering new high school graduation requirements and 35 have approved changes.

Twenty-one States report initiatives to improve textbooks and instructional material.

Eight States have approved lengthening the school day, seven are lengthening the school year, and 18 have mandates affecting the amount of time for instruction.

Twenty-four States are examining master teacher or career ladder programs, and six have begun statewide or pilot programs.

Thirteen States are considering changes in academic requirements for extra-curricular and athletic programs, and five have already adopted more rigorous standards.

Education in a matter of choice, and choice in education is inevitably political. All of education is a passing on of ideas from one generation to another. Since the storehouse of knowledge is vast, a selection must be made of what to pass on. Those doing the selecting bring with them their own politics. Therefore, the more centralized the selection process, the greater the threat of tyranny. The more diversified the selection process, the greater the chance for a thriving free marketplace of ideas as the best insurance for excellence in education.

We believe that education is a local function, a State responsibility, and a federal concern. The federal role in education should be limited. It includes helping parents and local authorities ensure high standards, protecting civil rights, and ensuring family rights. Ignoring that principle, from 1965 to 1980, the United States indulged in a disastrous experiment with centralized direction of our schools. During the Carter-Mondale Administration, spending continued to increase, but test scores steadily declined.

This decline was not limited to academic matters. Many schools lost sight of their traditional task of developing good character and moral discernment. The result for many was a decline in personal responsibility.

The key to the success of educational reform lies in accountability: for students, parents, educators, school boards, and all governmental units. All must be held accountable in order to achieve excellence in education. Restoring local control of education will allow parents to resume the exercise of their responsibility for the basic education, discipline, and moral guidance of their children.

Parents have the primary right and responsibility for the education of their children; and States, localities, and private institutions have the primary responsibility for supporting that parental role. America has been a land of opportunity because America has been a land of learning. It has given us the most prosperous and dynamic society in the world.

The Republican Party recognizes the importance of good teachers, and we acknowledge the great effort many put forth to achieve excellence in the classroom. We applaud their numerous contributions and achievements in education. Unfortunately, many teachers are exhausted by their efforts to support excellence and elect to leave the classroom setting. Our best teachers have been frustrated by lowered standards, widespread indifference, and compensation below the true value of their contribution to society. In 1980-81 alone, 4 percent of the nation's math and science teachers quit the classroom. To keep the best possible teachers for our children, we support those education reforms which will result in increased student learning, including appropriate class sizes, appropriate and adequate learning and teaching materials, appropriate and consistent grading practices, and proper teacher compensation, including rewarding exceptional efforts and results in the classroom.

Classroom materials should be developed and produced by the private sector in the public marketplace, and then selections should be made at the State, local, and school levels.

We commend those States and local governments that have initiated challenging and rigorous high school programs, and we encourage all States to take initiatives that address the special educational needs of the gifted and talented.

We have enacted legislation to guarantee equal access to school facilities by student religious groups. Mindful of our religious diversity, we reaffirm our commitment to the freedoms of religion and speech guaranteed by the Constitution of the United States and firmly support the rights of students to openly practice the same, including the right to engage in voluntary prayer in schools.

While much has been accomplished, the agenda is only begun. We must complete the block-grant process begun in 1981. We will return revenue sources to State and local governments to make them independent of federal funds and of the control that inevitably follows.

The Republican Party believes that developing the individual dignity and potential of disabled Americans is an urgent responsibility. To this end, the Republican Party commits itself to prompt and vigorous enforcement of the rights of disabled citizens, particularly those rights established under the Education for All Handicapped Children Act, Section 504 of the Rehabilitation Act of 1973, and the Civil Rights of Institutionalized Persons Act. We insist on the highest standards of quality for services supported with federal funds.

In addition, government should seek out disabled persons and their parents to make them knowledgeable of their rights.

We will work toward providing federal funds to State and local governments sufficient to meet the degree of fiscal participation already promised in law.

We are committed to excellence in education for all our children within their own communities and neighborhoods. No child should be assigned to, or barred from, a school because of race.

In education, as in other activities, competition fosters excellence. We therefore support the President's proposal for tuition tax credits. We will convert the Chapter One grants to vouchers, thereby giving poor parents the ability to choose the best schooling available. Discrimination cannot be condoned, nor may public policies encourage its practice. Civil rights enforcement must not be twisted into excessive interference in the education process.

Teachers cannot teach and students cannot learn in an undisciplined environment. We applaud the President's promise to provide protection to teachers and administrators against suits from the unruly few who seek to disrupt the education of the overwhelming majority of students.

We urge the aggressive enforcement of the Protection of Pupil Rights amendment (also known as the Hatch Amendment, 20 U.S.C. 1232h) in order to protect pupils' and parents' rights. The amendment prohibits requiring any pupil to reveal personal or family information as part of any federally supported program, test, treatment, or psychological examination unless the school first obtains written consent of the pupil's parents.

The recent Grove City and Hillsdale College cases have raised questions about the extension of federal interference with private colleges, universities, and schools. Since federal aid, no matter how indirect, is now being linked to nearly every aspect of American life, great care must be taken in defining such terms as "federal financial assistance," "indirect" assistance, and "recipient" of assistance. We are deeply concerned that this kind of federal involvement in the affairs of some of the nation's fine private universities, colleges, and schools, many of which have remained stubbornly free of federal entanglements, can only bring with it unintended results. As the historical party of Lincoln and individual rights, we support enactment of legislation which would ensure protection of those covered under Title IX.

We urge States to establish partnerships with the scientific and business worlds to increase the number of teachers in these critical areas of learning. We also recognize a vast reservoir of talent and experience among retirees and other Americans competent to teach in these areas and ready to be tapped.

We endorse experiments with education such as enterprise zones and Cities-in-Schools. We reaffirm our commitment to wipe out illiteracy in our society. Further, we encourage the Congress and the States to reassess the process for aiding education, awarding funds on the basis of academic improvement rather than on daily attendance.

We are aware that good intentions do not always produce the desired results. We therefore urge our schools to evaluate their sex education programs to determine their impact on escalating teenage pregnancy rates. We urge that school officials take appropriate action to ensure parent involvement and responsibility in finding solutions to this national dilemma.

We support and encourage volunteerism in the schools. President Reagan's Adopt-a-School program is an example of how private initiative can revitalize our schools, particularly inner-city schools, and we commend him for his example.

Our emphasis on excellence includes the nation's colleges and universities. Although their achievements are unequalled in the world—in research, in proportion of citizens enrolled, in their contribution to our democratic society—we call upon them for accountability in good teaching and quality curricula that will ensure competent graduates in the world of work.

We pledge to keep our colleges and universities strong. They have been far too dependent on federal assistance and thus have been tied up in federal red tape. Their independence is an essential part of our liberty. Through regulatory reform, we are holding down the costs of higher education and reestablishing academic freedom from government. This is especially important for small schools, religious institutions, and the historically black colleges, for which President Reagan's Executive Order 12320 has meant new hope and vigor. We further reaffirm and support a regular Black College Day which honors a vital part of our educational community.

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Republicans applaud the information explosion. This literacy-based knowledge revolution, made possible by computers, tapes, television, satellites, and other high technology innovations, buttressed by training programs through the business sector and foundations, is a tribute to American ingenuity. We urge our schools to educate for the ever-changing demands of our society and to resist using these innovations as substitutes for reasoning, logic, and mastery of basic skills.

We encourage excellence in the vocational and technical education that has contributed to the self-esteem and productivity of millions. We believe the best vocational and technical education programs are rooted in strong academic fundamentals. Business and industry stand ready to establish training partnerships with our schools. Their leadership is essential to keep America competitive in the future.

In an age when individuals may have four or five different jobs in their working career, vocational education and opportunities for adult learning will be more important than ever. The challenge of learning for citizenship and for work in an age of change will require new adaptations and innovations in the process of education. We urge the teaching profession and educational institutions at all levels to develop the maximum use of new learning opportunities available through learning-focused high technology. This technology in education and in the workplace is making possible, and necessary, the continuing education of our adult population. The participation by adults in educational offerings within their communities will strengthen the linkages among the places where Americans live, work, and study.

Important as technology is, by itself it is inadequate for a free society. The arts and humanities flourish in the private sector, where a free market in ideas is the best guarantee of vigorous creativity. Private support for the arts and humanities has increased over the last four years, and we encourage its growth.

We support the National Endowments for the Arts and Humanities in their efforts to correct past abuses and focus on developing the cultural values that are the foundation for our free society. We must ensure that these programs bring the arts and humanities to people in rural areas, the inner city poor, and other underserved populations.

Crime

One of the major responsibilities of government is to ensure the safety of its citizens. Their security is vital to their health and to the well-being of their neighborhoods and communities. The Reagan Administration is committed to making America safe for families and individuals. And Republican programs are paying dividends.

For the first time in the history of recorded federal crime statistics, rates of serious crime have dropped for two consecutive years. In 1983, the overall crime rate dropped 7 percent; and in 1982, the overall crime rate dropped 3 percent. In 1982 (the latest year for which figures are available), the murder rate dropped 5 percent, the robbery rate was down 6 percent, and forcible rape dropped 5 percent. Property crimes also declined: burglary decreased 9 percent, auto theft declined 2 percent, and theft dropped 1 percent.

Republicans believe that individuals are responsible for their actions. Those who commit crimes should be held strictly accountable by our system of justice. The primary objective of the criminal law is public safety; and those convicted of serious offenses must be jailed swiftly, surely, and long enough to assure public safety.

Republicans respect the authority of State and local law enforcement officials. The proper federal role is to provide strong support and coordination for their efforts and to vigorously enforce federal criminal laws. By concentrating on repeat offenders, we are determined to take career criminals off the street.

Additionally, the federal law enforcement budget has been increased by nearly 50 percent. We added 1,900 new investigators and prosecutors to the federal fight against crime. We arrested more offenders and sent more of them to prison. Convictions in organized crime cases have tripled under the Reagan Administration. We set up task forces to strike at organized crime and narcotics. In the year since, 3,000 major drug traffickers have been indicted, and nearly 1,000 have already been convicted. We are helping local authorities search for missing children. We have a tough new law against child pornography. Republicans initiated a system for pooling information from local, State and federal law enforcement agencies: the Violent Criminal Apprehension Program (VI-CAP). Under this program, State and local agencies have the primary law enforcement responsibility, but cross-jurisdictional information is shared rapidly so that serial murderers and other violent criminals can be identified quickly and then apprehended.

Under the outstanding leadership of President Reagan and Vice President Bush's Task Force on Organized Crime, the Administration established the National Narcotics Border Interdiction System. We set up an aggressive Marijuana Eradication and Suppression Program, gave the FBI authority to investigate drugs, and coordinated FBI and DEA efforts. We reaffirm that the eradication of illegal drug traffic is a top national priority.

We have levelled with the American people about the involvement of foreign governments, especially Communist dictators, in narcotics traffic: Cuba, the Soviet Union, Bulgaria—and now the Sandinistas in Nicaragua—are international "pushers," selling slow death to young Americans in an effort to undermine our free society.

The Republican Party has deep concern about gratuitous sex and violence in the entertainment media, both of which contribute to the problem of crime against children and women. To the victims of such crimes who need protection, we gladly offer it.

We have begun to restore confidence in the criminal justice system. The Carter-Mondale legal policy had more concern for abstract criminal rights than for the victims of crime. It hurt those least able to defend themselves: the poor, the elderly, school children, and minorities. Republican leadership has redressed that imbalance. We have advanced such reforms as restitution by convicted criminals to their victims; providing victims with full explanations of what will occur before, during, and after trial; and assuring that they may testify at both trial and sentencing.

The Republican Senate has twice passed, with one dissenting vote, a comprehensive federal anti-crime package which would:

Establish uniform, predictable and fair sentencing procedures, while abolishing the inconsistencies and anomalies of the current parole system;

Strengthen the current bail procedures to allow the detention of dangerous criminals, who under current law are allowed to roam the streets pending trial;

Increase dramatically the penalties for narcotic traffickers and enhance the ability of society to recoup ill-gotten gains from drug trafficking;

Narrow the overly broad insanity defense; and

Provide limited assistance to States and localities for the implementation of anti-crime programs of proven effectiveness.

In addition, the Republican Senate has overwhelmingly passed Administration-backed legislation which would:

Restore a constitutionally valid federal death penalty;

Modify the exclusionary rule in a way recently approved by the Supreme Court; and

Curtail abuses by prisoners of federal *habeas corpus* procedures.

The Democrat bosses of the House of Representatives have refused to allow a vote on our initiatives by the House Judiciary Committee, perennial graveyard for effective anti-crime legislation, or by the full House despite our pressure and the public's demand.

The best way to deter crime is to increase the probability of detection and to make punishment certain and swift. As a matter of basic philosophy, we advocate preventive rather than merely corrective measures. Republicans advocate sentencing reform and secure, adequate prison construction. We concur with the American people's approval of capital punishment where appropriate and will ensure that it is carried out humanely.

Republicans will continue to defend the constitutional right to keep and bear arms. When this right is abused and armed felonies are committed, we believe in stiff, mandatory sentencing. Law-abiding citizens exercising their constitutional rights must not be blamed for crime. Republicans will continue to seek repeal of legislation that restrains innocent citizens more than violent criminals.

Older Americans

We reaffirm our commitment to the financial security, physical well-being, and quality of life of older Americans. Valuing them as a treasure of wisdom and experience, we pledge to utilize their unique talent to the fullest.

During the Carter-Mondale years, the silent thief of inflation ruthlessly preyed on the elderlys' savings and benefits, robbing them of their retirement dollars and making many dependent on government handouts.

No more. Due to the success of Reaganomics, a retiree's private pension benefits are worth almost $1,000 more than if the 1980 inflation rate had continued. Average monthly Social Security benefits have increased by about $180 for a couple and by $100 a month for an individual. Because President Reagan forged a hard-won solution to the Social Security crisis, our elderly will not be repeatedly threatened with the program's impending bankruptcy as they were under the irresponsible policies of the Carter-Mondale Administration. We will work to repeal the Democrats' Social Security earnings-limitation, which penalizes the elderly by taking one dollar of their income for every two dollars earned.

Older Americans are vital contributors to society. We will continue to remove artificial barriers which discourage their participation in community life. We reaffirm our traditional opposition to mandatory retirement.

For those who are unable to care for themselves, we favor incentives to encourage home-based care.

We are combatting insidious crime against the elderly, many of whom are virtual prisoners in their own homes for fear of violence. We demand passage of the President's Comprehensive Crime Control package, stalled by the Democrat-controlled House Judiciary Committee. We support local initiatives to fight crime against the elderly.

Older Americans want to contribute, to live with the dignity and respect they have earned, and to have their special needs recognized. The Republican Party must never turn its back on our elderly, and we ensure that we will adequately provide for them during their golden years so they can continue to enjoy our country's high standard of living, which their labors have helped provide.

Advancing Opportunity

Throughout this Platform are initiatives to provide an opportunity ladder for the poor, particularly among minorities in both urban and rural areas. Unlike the Carter-Mondale Administration that locked them into the welfare trap, Republicans believe compassion dictates our offering real opportunities to minorities and the urban poor to achieve the American Dream.

We have begun that effort; and as a pledge of its continuance, this Platform commits us, not to a war of class against class, but to a crusade for prosperity for all.

For far too long, the poor have been trapped by the policies of the Democratic Party which treat those in the ghetto as if their interests were somehow different from our own. That is unfair to us all and an insult to the needy. Their goals are ours; their aspirations we share.

To emphasize our common bond, we have addressed their needs in virtually every section of this Platform, rather than segregating them in a token plank. To those who would see the Republican future for urban America, and for those who deserve a better break, we offer the commitments that make up the sinew of this Platform.

Congress must pass enterprise zones, to draw a green line of prosperity around the red-lined areas of our cities and to help create jobs and entrepreneurial opportunities.

We offer the boldest breakthrough in housing policy since VA mortgages: we offer opportunities for private ownership of housing projects by the poor themselves.

We pledge comprehensive tax reform that will give America back what was its post-war glory: a pro-family tax code with a dramatic work incentive for low-income and welfare families.

We offer hope, not despair; more opportunities for education through vouchers and tuition tax relief; and increased participation in the private enterprise system through the reform of counterproductive taxes and regulations.

Together with our emphatic commitment to civil rights, Republican programs will achieve, for those who feel left out of our society's progress, what President Reagan has already secured for our country: a new beginning to move America to full employment and honest money for all.

A FREE AND JUST SOCIETY

In 1980, the Republican Party offered a vision of America's future that applied our traditions to today's problems. It is the vision of a society more free and more just than any in history. It required a break with the worn-out past, to redefine the role of government and its relationship with individuals and their institutions. Under President Reagan's leadership, the American people are making that vision a reality.

The American people want an opportunity society, not a welfare state. They want government to foster an environment in which individuals can develop their potential without hindrance.

The Constitution is the ultimate safeguard of individual rights. As we approach the Constitutional Bicentennial in 1987, Republicans are restoring its vitality, which had been transgressed by Democrats in Congress, the executive, and in the courts.

We are renewing the federal system, strengthening the States, and returning power to the people. That is the surest course to our common goal: a free and just society.

Individual Rights

The Republican Party is the party of equal rights. From its founding in 1854, we have promoted equality of opportunity.

The Republican Party reaffirms its support of the pluralism and freedom that have been part and parcel of this great country. In so doing, it repudiates and completely dissociates itself from people, organizations, publications, and entities which promulgate the practice of any form of bigotry, racism, anti-semitism, or religious intolerance.

Americans demand a civil rights policy premised on the letter of the Civil Rights Act of 1964. That law requires equal rights; and it is our policy to end discrimination on account of sex, race, color, creed, or national origin. We have vigorously enforced civil rights statutes. The Equal Employment Opportunity Commission has recovered record amounts of back pay and other compensation for victims of employment discrimination.

Just as we must guarantee opportunity, we oppose attempts to dictate results. We will resist efforts to replace equal rights with discriminatory quota systems and preferential treatment. Quotas are the most insidious form of discrimination: reverse discrimination against the innocent. We must always remember that, in a free society, different individual goals will yield different results.

The Republican Party has an historic commitment to equal rights for women. Republicans pioneered the right of women to vote, and our party was the first major party to advocate equal pay for equal work, regardless of sex.

President Reagan believes, as do we, that all members of our party are free to work individually for women's progress. As a party, we demand that there be no detriment to that progress or inhibition of women's rights to full opportunity and advancement within this society.

Participation by women in policy-making is a strong commitment by the Republican Party and by President Reagan. He pledged to appoint a woman to the United States Supreme Court. His promise was not made lightly; and when a vacancy occurred, he quickly filled it with the eminently qualified Sandra Day O'Connor of Arizona.

His Administration has also sought the largest number of women in history to serve in appointive positions within the executive branch of government. Three women serve at Cabinet level, the most ever in history. Jeane Kirkpatrick, the U.S. Representative to the United Nations, Elizabeth Dole, Secretary of Transportation, and Margaret Heckler, Secretary of Health and Human Services, head a list of over 1,600 women who direct policy and operations of the federal government.

The Republican Party continues to search for interested and qualified women for all government positions. We will continue to increase the number of first-time appointments for women serving in government at all levels.

Our record of economic recovery and growth is an additional important accomplishment for women. It provides a stark contrast to the Carter-Mondale legacy to women: a shrinking economy, limited job opportunities and a declining standard of living.

Whether working in or outside the home, women have benefitted enormously from the economic progress of the past four years. The Republican economic expansion added over six million new jobs to the economy. It increased labor force participation by women to historic highs. Women's employment has risen by almost four and one-half million since the last Carter-Mondale year. They obtained almost one million more new jobs than men did. Economic growth due to Republican economic policies has produced a record number of jobs so that women who want to work outside the home now have unmatched opportunity. In fact, more than 50 percent of all women now have jobs outside the home.

The spectacular decline in inflation has immeasurably benefitted women working both in and outside the home. Under President Reagan, the cost increase in everyday essentials—food, clothing, housing, utilities—has been cut from the Carter-Mondale highs of over 10 percent a year to just over 4 percent today. We have ushered in an era of price stability that is stretching take-home pay hundreds of dollars farther. In 1982, for the first time in 10 years, women experienced a real increase in wages over inflation.

Lower interest rates have made it possible for more women, single and married, to own their homes and to buy their own automobiles and other consumer goods.

Our 25 percent reduction in marginal tax rates provided important benefits to women, as did the virtual elimination of the "widow's tax" which had jeopardized retirement savings of senior women. At the same time, we raised the maximum child care tax credit from $400 to $720 per family. We will continue to actively seek the elimination of discrimination against homemakers with regard to Individual Retirement Accounts so that single-income couples can invest the same amount in IRAs as two-income couples.

In addition, President Reagan has won enactment of the Retirement Equity Act of 1984. That legislation, strongly supported by congressional Republicans, makes a comprehensive reform of private pension plans to recognize the special needs of women.

Our record of accomplishing during the last four years is clear, but we intend to do even better over the next four.

We will further reduce the "marriage penalty," a burden upon two-income, working families. We will work to remove artificial impediments in business and industry, such as occupational licensing laws, that limit job opportunities for women, minorities, and youth or prevent them from entering the labor force in the first place.

For low-income women, the Reagan Administration has already given States and localities the authority, through the Job Training Partnership Act, to train more re-

cipients of Aid to Families with Dependent Children for permanent, not make-work, jobs. We have increased child support collections from $1.5 billion to $2.4 billion and enacted a strong child support enforcement law. We will continue to stress welfare reforms which promote individual initiative, the real solution to breaking the cycle of welfare dependency.

With women comprising an increasing share of the work force, it is essential that the employment opportunities created by our free market system be open to individuals without regard to their sex, race, religion, or ethnic origin. We firmly support an equal opportunity approach which gives women and minorities equal access to all jobs—including the traditionally higher-paying technical, managerial, and professional positions—and which guarantees that workers in those jobs will be compensated in accord with the laws requiring equal pay for equal work under Title VII of the Civil Rights Act.

We are creating an environment in which individual talents and creativity can be tapped to the fullest, while assuring that women have equal opportunity, security, and real choices for the promising future. For all Americans, we demand equal pay for equal work. With equal emphasis, we oppose the concept of "comparable worth." We believe that the free market system can determine the value of jobs better than any government authority.

The Department of Justice has identified 140 federal statutes with gender-based distinctions. Proposed legislation will correct all but 18; six are still under study; the rest, which actually favor women, will remain as is. President Reagan's Fifty States Project, designed to identify State laws discriminating against women, has encouraged 42 States to start searches, and 26 have begun amending their laws. The Department has filed more cases dealing with sex discrimination in employment than were filed during a comparable period in the Carter-Mondale Administration.

Working with Republicans in Congress, President Reagan has declared 1983-1992 the Decade of Disabled Persons. All Americans stand to gain when disabled citizens are assured equal opportunity.

The Reagan Administration has an outstanding record in achieving accessibility for the handicapped. During the past two years, minimum guidelines have at last been adopted, and the Uniform Federal Accessibility Standard has become fact.

The Republican Party realizes the great potential of members of the disabled community in this country. We support all efforts being made at the federal level to remove artificial barriers from our society so that disabled individuals may reach their potential and participate at the maximum level of their abilities in education, employment, and recreation. This includes the removal, insofar as practicable, of architectural transportation, communication and attitudinal barriers. We also support efforts to provide disabled Americans full access to voting facilities.

We deplore discrimination because of handicap. The Reagan Administration was the first to combat the insidious practice of denying medical care or even food and water to disabled infants. This issue has vast implications for medical ethics, family autonomy, and civil rights. But we find no basis, whether in law or medicine or ethics, for denying necessities to an infant because of the child's handicap.

We are committed to enforcing statutory prohibitions barring discrimination against any otherwise qualified handicapped individuals, in any program receiving federal financial assistance, solely by reason of their handicap.

We recognize the need for watchful care regarding the procedural due process rights of persons with handicaps both to prevent their placement into inappropriate programs or settings and to ensure that their rights are represented by guardians or other advocates, if necessary.

For handicapped persons who need care, we favor family-based care where possible, supported by appropriate and adequate incentives. We increased the tax credit for caring for dependents or spouses physically or mentally unable to care for themselves. We also provided a deduction of up to $1,500 per year for adopting a child with special needs that may otherwise make adoption difficult.

We are committed to seeking out gifted children and their parents to make them knowledgeable of their educational rights.

We reaffirm the right of all individuals freely to form, join, or assist labor organizations to bargain collectively, consistent with State laws and free from unnecessary government involvement. We support the fundamental principle of fairness in labor relations. We will continue the Reagan Administration's "open door" policy toward organized labor and its leaders. We reaffirm our long-standing support for the right of States to enact "Right-to-Work" laws under section 14(b) of the Taft-Hartley Act.

The political freedom of every worker must be protected. Therefore, we strongly oppose the practice of using compulsory dues and fees for partisan political purposes. Also, the protection of all workers must be secured. Therefore, no worker should be coerced by violence or intimidation by any party to a labor dispute.

The healthy mix of America's ethnic, cultural, and social heritage has always been the backbone of our nation and its progress throughout our history. Without the contributions of innumerable ethnic and cultural groups, our country would not be where it is today.

For millions of black Americans, Hispanic Americans, Asian Americans, and members of other minority groups, the past four years have seen a dramatic improvement in their ability to secure for themselves and for their children a better tomorrow.

That is the American Dream. The policies of the Reagan Administration have opened literally millions of doors of opportunity for these Americans, doors which either did not exist or were rapidly being slammed shut by the no-growth policies of the Carter-Mondale Administration.

We Republicans are proud of our efforts on behalf of all minority groups, and we pledge to do even more during the next four years.

We will continue to press for enactment of economic and social policies that promote growth and stress individual initiative of minority Americans. Our tax sytem will continue to be overhauled and reformed by making it fairer and simpler, enabling the families of minorities to work and save for their future. We will continue to push for passage of enterprise zone legislation, now bottled up in the Democrat-controlled House of Representatives. That bill, discussed elsewhere in this platform, will help minority Americans living in cities and urban areas to get jobs, to start their own businesses, and to reap the fruits of entrepreneurship by tapping their individual initiative, energy, and creativity.

We honor and respect the contributions of minority Americans and will do all we can to see that our diversity is enhanced during the next four years. Active contributions by minorities are the threads that weave the fabric that is America and make us stronger as a nation. We recognize these individuals and their contributions and will continue to promote the kinds of policies that will make their dreams for a better America a reality. The party of Lincoln will remain the party of equal rights for all.

We continue to favor whatever legislation may be necessary to permit American citizens residing in the Virgin Islands, Guam, and Puerto Rico to vote for president and vice president in national elections.

We support the right of Indian Tribes to manage their own affairs and resources. Recognizing the government-to-government trust responsibility, we are equally committed to working towards the elimination of the conditions of dependency produced by federal control. The social and economic advancement of Native Americans depends upon changes they will chart for themselves. Recognizing their diversity, we support the President's policy of responsibly removing impediments to their self-sufficiency. We urge the nations of the Americas to learn from our past mistakes and to protect native populations from exploitation and abuse.

Native Hawaiians are the only indigenous people of our country who are not officially designated as Native Americans. They should share that honored title. We endorse efforts to preserve their culture as a unique element in the human tapestry that is America.

Family Protection

Republicans affirm the family as the natural and indispensable institution for human development. A society is only as strong as its families, for they nurture those qualities necessary to maintain and advance civilization.

Healthy families inculcate values—integrity, responsibility, concern for others—in our youth and build social cohesion. We give high priority to their well-being. During the 1970s, America's families were ravaged by worsening economic conditions and a Washington elite unconcerned with them.

We support the concept of creating Family Education Accounts which would allow tax-deferred savings for investment in America's most crucial asset, our children, to assist low- and middle-income families in becoming self-reliant in meeting the cost of higher education.

In addition, to further assist the young families of America in securing the dream of homeownership, we would like to review the concept of Family Housing Accounts which would allow tax-exempt savings for a family's first home.

Preventing family dissolution, a leading cause of poverty, is vital. It has had a particularly tragic impact on the elderly, women, and minorities. Welfare programs have devasted low-income families and induced single parenthood among teens. We will review legislation and regulations to examine their impact on families and on parental rights and responsibilities. We seek to eliminate incentives for family break-up and to reverse the alarming rate of pregnancy outside marriage. Meanwhile, the Republican Party believes that society must do all

that is possible to guarantee those young parents the opportunity to achieve their full education and parental potential.

Because of Republican tax cuts, single people and married people without dependents will have in 1984 basically the same average tax rates they had in 1960. The marriage penalty has been reduced. However, a couple with dependents still pays a greater portion of their income in taxes than in 1960. We reaffirm that the personal exemption for children be no less than for adults, and we will at least double its current level. The President's tax program also increased tax credits for child care expenses. We will encourage private sector initiatives to expand on-site child care facilites and options for working parents.

The problem of physical and sexual abuse of children and spouses requires careful consideration of its causes. In particular, gratuitious sex and violence in entertainment media contribute to this sad development.

We and the vast majority of Americans are repulsed by pornography. We will vigorously enforce constitutional laws to control obscene materials which degrade everyone, particularly women, and depict the exploitation of children. We commend the Reagan Administration for creating a commission on pornography. We stand with our President in his determination to solve the problem.

We call upon the Federal Communications Commission, and all other federal, State, and local agencies with proper authority, to strictly enforce the law regarding cable pornography and to implement rules and regulations to clean up cable pornography and the abuse of telephone service for obscene purposes.

Immigration

Our history is a story about immigrants. We are proud that America still symbolizes hope and promise to the world. We have shown unparalleled generosity to the persecuted and to those seeking a better life. In return, they have helped to make a great land greater still.

We affirm our country's absolute right to control its borders. Those desiring to enter must comply with our immigration laws. Failure to do so not only is an offense to the American people but is fundamentally unjust to those in foreign lands patiently waiting for legal entry. We will preserve the principle of family reunification.

With the estimates of the number of illegal aliens in the United States ranging as high as 12 million and better than one million more entering each year, we believe it is critical that responsible reforms of our immigration laws be made to enable us to regain control of our borders.

The flight of oppressed people in search of freedom has created pressures beyond the capacity of any one nation. The refugee problem is global and requires the cooperation of all democratic nations. We commend the President for encouraging other countries to assume greater refugee responsibilities.

Our Constitutional System

Our Constitution, now almost 200 years old, provides for a federal system, with a separation of powers among the three branches of the national government. In that system, judicial power must be exercised with deference towards State and local officials; it must not expand at the expense of our representative institutions. It is not a judicial function to reorder the economic, political, and social priorities of our nation. The intrusion of the courts into such areas undermines the stature of the judiciary and erodes respect for the rule of law. Where appropriate, we support congressional efforts to restrict the jurisdiction of federal courts.

We commend the President for appointing federal judges committed to the rights of law-abiding citizens and traditional family values. We share the public's dissatisfaction with an elitist and unresponsive federal judiciary. If our legal institutions are to regain respect, they must respect the people's legitimate interests in a stable, orderly society. In his second term, President Reagan will continue to appoint Supreme Court and other federal judges who share our commitment to judicial restraint.

The Republican Party firmly believes that the best governments are those most accountable to the people. We heed Thomas Jefferson's warning: "When all government, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another."

For more responsible government, non-essential federal functions should be returned to the States and localities wherever prudent. They have the capability, knowledge, and sensitivity to local needs required to better administer and deliver public services. Their diverse problems require local understanding. The transfer of rights, responsibilities, and revenues to the "home front" will recognize the abilities of local government and the limitations of a distant federal government.

We commend the President for the bold initiatives of his "New Federalism." The enacted block grants discussed elsewhere in this Platform are a positive step. But the job of making government more accountable to the people has just begun. We strongly favor the expansion of block-grant funding and other means to restore our nation's federal foundation.

More than 40 years ago, a grave injustice was done to many Americans of Japanese ancestry. Uprooted from their homes in a time of crisis, loyal citizens and residents were treated in a way which contravened the fundamental principles of our people. We join them and their descendants in assuring that the deprivation of rights they suffered shall never again be permitted in this land of liberty.

To benefit all Americans, we support the privatization of government services whenever possible. This maximizes consumer freedom and choice. It reduces the size and cost of government, thus lessening the burden on taxpayers. It stimulates the private sector, increases prosperity, and creates jobs. It demonstrates the primacy of individual action which, within a free market economy, can address human needs most effectively.

Within the executive branch, the Reagan Administration has made government work more efficiently. Under the direction of the Office of Personnel Management, non-defense government employment was reduced by over 100,000. The overwhelming majority of federal employees are dedicated and hard-working. Indeed, we have proposed to base their pay and retention upon performance so that outstanding federal employees may be properly rewarded.

The federal government owns almost a third of our nation's land. With due recognition of the needs of the federal government and mindful of environmental, recreational, and national defense needs, we believe the sale of some surplus land will increase productivity and increase State and local tax bases. It will also unleash the creative talents of free enterprise in defense of resource and environmental protection.

The expression of individual political views is guaranteed by the First Amendment; government should protect, not impinge upon First Amendment rights. Free individuals must have unrestricted access to the process of self-government. We deplore the growing labyrinth of bewildering regulations and obstacles which have increased the power of political professionals and discouraged the participation of average Americans. Even well-intentioned restrictions on campaign activity stifle free speech and have a chilling effect on spontaneous political involvement by our citizens.

The holding of public office in our country demands the highest degree of commitment to integrity, openness, and honesty by candidates running for all elective offices. Without such a commitment, public confidence rapidly erodes. Republicans therefore reaffirm our commitment to the fair and consistent application of financial disclosure laws. We will continue our support for full disclosure by all high officials of the government and candidates in positions of public trust. This extends to the financial holding of spouses or dependents, of which the official has knowledge, financial interest, or benefit. We will continue to hold all public officials to the highest ethical standards and will oppose the inconsistent application of those standards on the basis of gender.

Republicans want to encourage, not restrict, free discourse and association. The interplay of concerned individuals, sometimes acting collectively to pursue their goals, has led to healthy and vigorous debate and better understanding of complex issues. We will remove obstacles to grass roots participation in federal elections and will reduce, not increase, the federal role.

Republicans believe that strong, competitive political parties contribute mightily to coherent national policies, effective representation, and responsive government. Forced taxpayer financing of campaign activities is political tyranny. We oppose it.

In light of the inhibiting role federal election laws and regulations have had, Congress should consider abolishing the Federal Election Commission.

We are the party of limited government. We are deeply suspicious of the amount of information which governments collect. Governments limited in size and scope best ensure our people's privacy. Particularly in the computer age, we must ensure that no unnecessary information is demanded and that no disclosure is made which is not approved. We oppose national identification cards.

We support reasonable methods to fight those who undermine national security, prevent crosschecks of government benefit records to conceal welfare fraud, or misuse financial secrecy laws to hide their narcotics profits under the guise of a right to privacy.

Private property is the cornerstone of our liberty and the free enterprise system. The right of property safeguards for citizens all things of value: their land, merchandise and money, their religious convictions, their safety and liberty, and their right of contract to produce and sell goods and services. Republicans reaffirm this God-given and inalienable right.

The unborn child has a fundamental individual right to life which cannot be infringed. We therefore reaffirm our support

for a human life amendment to the Constitution, and we endorse legislation to make clear that the Fourteenth Amendment's protections apply to unborn children. We oppose the use of public revenues for abortion and will eliminate funding for organizations which advocate or support abortion. We commend the efforts of those individuals and religious and private organizations that are providing positive alternatives to abortion by meeting the physical, emotional, and financial needs of pregnant women and offering adoption services where needed.

We applaud President Reagan's fine record of judicial appointments, and we reaffirm our support for the appointment of judges at all levels of the judiciary who respect traditional family values and the sanctity of innocent human life.

AMERICA SECURE AND THE WORLD AT PEACE

The Future of Our Foreign Policy

President Reagan has restored the American people's faith in the principles of liberal democracy. Today, we have more confidence in the self-evident truths of democracy than at any time since World War II.

The first principle of that faith is that all human beings are created equal in the natural human right to govern themselves.

Just as we assert the right of self-government, it follows that all people throughout the world should enjoy that same human right. This moral principle must be the ideal by which our policy toward other nations is directed.

We Republicans emphasize that there is a profound moral difference between the actions and ideals of Marxist-Leninist regimes and those of democratic governments, and we reject the notions of guilt and apology which animate so much of the foreign policy of the Democratic Party. We believe American foreign policy can only succeed when it is based on unquestioned faith in a single idea: the idea that all human beings are created equal, the founding idea of democracy.

The supreme purpose of our foreign policy must be to maintain our freedom in a peaceful international environment in which the United States and our allies and friends are secure against military threats, and democratic governments are flourishing in a world of increasing prosperity.

This we pledge to our people and to future generations: we shall keep the peace by keeping our country stronger than any potential adversary.

The Americas

Our future is intimately tied to the future of the Americas. Family, language, culture, and trade link us closely with both Canada, our largest trading partner, and our southern neighbors.

The people of both Mexico and Canada are of fundamental importance to the people of the United States of America, not just because we share a common border, but because we are neighbors who share both history and a common interest for the present and future. Under President Reagan, our relations with both countries are being carried out in a serious, straightforward manner in a climate of mutual respect. As our countries seek solutions to common problems on the basis of our mutual interests, we recognize that each country has a unique contribution to make in working together to resolve mutual problems.

The security and freedom of Central America are indispensable to our own. In addition to our concern for the freedom and overall welfare of our neighbors to the south, two-thirds of our foreign trade passes through the Caribbean and the Panama Canal. The entire region, however, is gravely threatened by Communist expansion, inspired and supported by the Soviet Union and Cuba. We endorse the principles of the Monroe Doctrine as the strongest foundation for United States policy throughout the hemisphere.

We encourage even closer ties with the countries of South America and consider the strengthening of representative governments there as a contribution to the peace and security of us all. We applaud the Organization of American States for its efforts to bring peace and freedom to the entire hemisphere.

Republicans have no illusions about Castro's brutal dictatorship in Cuba. Only our firmness will thwart his attempts to export terrorism and subversion, to destroy democracy, and to smuggle narcotics into the United States. But we also extend a constructive, hopeful policy toward the Cuban people. Castro resents and resists their desire for freedom. He fears Radio Marti, President Reagan's initiative to bring truth to our Cuban neighbors. He is humiliated by the example of Cuban-born Americans, whose spiritual and material accomplishments contrast starkly with Communist failures in their birthplace. We believe in friendship between the Cuban and the American peoples, and we envision a genuine democracy in Cuba's future.

We support the President in following the unanimous findings of the Bipartisan Commission on Central America, first proposed by the late Senator Henry "Scoop" Jackson of Washington.

Today, democracy is under assault throughout the hemisphere. Marxist Nicaragua threatens not only Costa Rica and Honduras, but also El Salvador and Guatemala. The Sandinista regime is building the largest military force in Central America, importing Soviet equipment, Eastern bloc and PLO advisors, and thousands of Cuban mercenaries. The Sandinista government has been increasingly brazen in its embrace of Marxism-Leninism. The Sandinistas have systematically persecuted free institutions, including synagogue and church, schools, the private sector, the free press, minorities, and families and tribes throughout Nicaragua. We support continued assistance to the democratic freedom fighters in Nicaragua. Nicaragua cannot be allowed to remain a Communist sanctuary, exporting terror and arms throughout the region. We condemn the Sandinista government's smuggling of illegal drugs into the United States as a crime against American society and international law.

The heroic effort to build democracy in El Salvador has been brutally attacked by Communist guerrillas supported by Cuba and the Sandinistas. Their violence jeopardizes improvements in human rights, delays economic growth, and impedes the consolidation of democracy. El Salvador is nearer to Texas than Texas is to New England, and we cannot be indifferent to its fate. In the tradition of President Truman's postwar aid to Europe, President Reagan has helped the people of El Salvador defend themselves. Our opponents object to that assistance, citing concern for human rights. We share that concern, and more than that, we have taken steps to help curb abuses. We have firmly and actively encouraged human rights reform, and results have been achieved. In judicial reform, the murderers of the American nuns in 1980 have been convicted and sentenced; and in political reform, the right to vote has been exercised by 80 percent of the voters in the fair, open elections of 1982 and 1984. Most important, if the Communists seize power there, human rights will be extinguished, and tens of thousands will be driven from their homes. We therefore support the President in his determination that the Salvadoran people will shape their own future.

We affirm President Reagan's declaration at Normandy: there is a profound moral difference between the use of force for liberation and the use of force for conquest and territorial expansion. We applaud the liberation of man and mind from oppression everywhere.

We applaud the liberation of Grenada, and we honor those who took part in it. Grenada is small, and its people few; but we believe the principle established there, that freedom is worth defending, is of monumental importance. It challenges the Brezhnev doctrine. It is an example to the world.

The Caribbean Basin Initiative is a sound program for the strenghening of democratic institutions through economic development based on free people and free market principles. The Republican Party strongly supports this program of integrated, mutually reinforcing measures in the fields of trade, investment, and financial assistance.

We recognize our special-valued relationship with Puerto Rico and the Virgin Islands; and we will support special measures to ensure that they will benefit and prosper from the Caribbean Basin Initiative, thereby reinforcing a stronghold of democracy and free enterprise in the Caribbean. The Republican Party reaffirms its support of the right of Puerto Rico to be admitted into the Union after it freely so determines, through the passage of an admission bill which will provide for a smooth fiscal transition, recognize the concept of a multicultural society for its citizens, and secure the opportunity to retain their Spanish language and traditions.

The Soviet Union

Stable and peaceful relations with the Soviet Union are possible and desirable, but they depend upon the credibility of American strength and determination. As our power waned in the 1970s, our very weakness was provocative. The Soviets exploited it in Afghanistan, the Middle East, Africa, Southeast Asia, and the Western Hemisphere. Our policy of peace through strength encourages freedom-loving people everywhere and provides hope for those who look forward one day to enjoying the fruits of self-government.

We hold a sober view of the Soviet Union. Its globalist ideology and its leadership obsessed with military power make it a threat to freedom and peace on every continent. The Carter-Mondale Administration ignored that threat, and the Democratic candidates underestimate it today. The Carter-Mondale illusion that the Soviet leaders share our ideals and aspirations is not only false but a profound danger to world peace.

Republicans reaffirm our belief that Soviet behavior at the negotiating table cannot be divorced from Soviet behavior elsewhere. Over-eagerness to sign agreements with the Soviets at any price, fashionable in the Carter-Mondale Administration, should never blind us to this reality. Any future agreement with the Soviets must require full compliance, be fully verifi-

able, and contain suitable sanctions for noncompliance. Carter-Mondale efforts to cover up Soviet violations of the 1972 Strategic Arms Limitations agreement and Anti-ballistic Missile Treaty emboldened the Soviets to strengthen their military posture. We condemn these violations, as well as recent violations of chemical and toxic weapons treaties in Afghanistan, Southeast Asia, and the Iran-Iraq war. We insist on full Soviet compliance with all treaties and executive agreements.

We seek to deflect Soviet policy away from aggression and toward peaceful international conduct. To that end, we will seek substantial reductions in nuclear weapons, rather than merely freezing nuclear weapons at their present dangerous level. We will continue multilateral efforts to deny advanced Western technology to the Soviet war machine.

We will press for Soviet compliance with all international agreements, including the 1975 Helsinki Final Act and the U.N. Declaration on Human Rights. We will continue to protest Soviet anti-semitism and human rights violations. We admire the courage of such people as Andrei Sakharov, his wife Yelena Bonner, Anatole Shcharansky, Ida Nudel and Josef Begun, whose defiance of Soviet repression stands as a testament to the greatness of the human spirit. We will press the Soviet Union to permit free emigration of Jews, Christians, and oppressed national minorities. Finally, because the peoples of the Soviet empire share our hope for the future, we will strengthen our information channels to encourage them in their struggle for individual freedom, national self-determination, and peace.

Europe

Forty years after D-Day, our troops remain in Europe. It has been a long watch, but a successful one. For four decades, we have kept the peace where, twice before, our valiant fought and died. We learned from their sacrifice.

We would be in mortal danger were Western Europe to come under Soviet domination. Fragmenting NATO is the immediate objective of the Soviet military buildup and Soviet subversion. During the Carter-Mondale years, the Soviets gained a substantial military and diplomatic advantage in Europe. They now have three times as many tanks as we do and almost a monopoly on long-range theater nuclear forces. To keep the peace, the Reagan-Bush Administration is offsetting the Soviet military threat with the defensive power of the Alliance. We are deploying Pershing II and cruise missiles. Remembering the Nazi Reich, informed voters on both sides of the Atlantic know they cannot accept Soviet military superiority in Europe. That is why the British, Italian, and West German parliaments have approved Euromissile deployments, and why new NATO base agreements were concluded successfully in Portugal, Spain, Turkey, and Greece. This is a victory for the Reagan-Bush Administration and our European friends.

The United States again leads the Alliance by offering hope of a safer future. As America's strength is restored, so is our allies' confidence in the future of freedom. We will encourage them to increase their contributions to our common defense.

To strengthen NATO's Southern Flank, we place the highest priority on resolving the Cyprus dispute and maintaining our support for both Greece and Turkey, with non-recognition of regimes imposed in occupied territory.

We share a deep concern for peace and justice in Northern Ireland and condemn all violence and terrorism in that strife-torn land.

We stand in solidarity with the peoples of Eastern Europe: the Poles, Hungarians, East Germans, Czechs, Rumanians, Yugoslavs, Bulgarians, Ukrainians, Baltic peoples, Armenians, and all captive nations who struggle daily against their Soviet masters. The heroic efforts of Lech Walesa and the Solidarity movement in Poland are an inspiration to all people yearning to be free. We are not neutral in their struggle, wherever the flame of liberty brightens the black night of Soviet oppression.

The tragic repression of the Polish people by the Soviet-inspired military dictatorship in Poland has touched the American people. We support policies to provide relief for Polish nationals seeking asylum and refuge in the United States.

The Middle East

President Reagan's Middle East policy has been flexible enough to adapt to rapidly changing circumstances, yet consistent and credible so that all nations recognize our determination to protect our vital interests. The President's skillful crisis management throughout the Iran-Iraq war has kept that conflict from damaging our vital interests. His peace efforts have won strong bipartisan support and international applause. And his willingness to stand up to Libya has made peace-loving states in the region feel more secure.

The 1979 Soviet invasion of Afghanistan, which surprised the Carter-Mondale Administration, brought Soviet forces less than 400 miles from the strategic Straits of Hormuz. The seizure of American hostages in Iran that year caught the United States unprepared and unable to respond. Lebanon is still in turmoil, despite our best efforts to foster stability in that unhappy country. With the Syrian leadership increasingly subject to Soviet influence, and the Palestine Liberation Organization and its homicidal subsidiaries taking up residence in Syria, U.S. policy toward the region must remain vigilant and strong. Republicans reaffirm that the United States should not recognize or negotiate with the PLO so long as that organization continues to promote terrorism, rejects Israel's right to exist, and refuses to accept U.N. Resolutions 242 and 338.

The bedrock of that protection remains, as it has for over three decades, our moral and strategic relationship with Israel. We are allies in the defense of freedom. Israel's strength, coupled with United States assistance, is the main obstacle to Soviet domination of the region. The sovereignty, security, and integrity of the state of Israel are moral imperatives. We pledge to help maintain Israel's qualitative military edge over its adversaries.

Today, relations between the United States and Israel are closer than ever before. Under President Reagan, we have moved beyond mere words to extensive political, military, and diplomatic cooperation. U.S-Israeli strategic planning groups are coordinating our joint defense efforts, and we are directly supporting projects to augment Israel's defense industrial base. We support the legislation pending for an Israel-U.S. free trade area.

We recognize that attacks in the U.N. against Israel are but thinly disguised attacks against the United States, for it is our shared ideals and democratic way of life that are their true target. Thus, when a U.N. agency denied Israel's right to participate, we withheld our financial support until that action was corrected. And we have worked behind the scenes and in public in other international organizations to defeat discriminatory attacks against our ally.

Our determination to participate actively in the peace process begun at Camp David has won us support over the past four years from moderate Arab states. Israel's partner in the Camp David Accords, Egypt, with American support, has been a constructive force for stability. We pledge continued support to Egypt and other moderate regimes against Soviet and Libyan subversion, and we look to them to contribute to our efforts for a long-term settlement of the region's destructive disputes.

We believe that Jerusalem should remain an undivided city with free and unimpeded access to all holy places by people of all faiths.

Asia and the Pacific

Free Asia is a tremendous success. Emulating the United States economically and politically, our friends in East Asia have had the world's highest economic growth rates. Their economies represent the dynamism of free markets and free people, in stark contrast to the dreary rigidity and economic failures of centrally planned socialism. U.S. investments in Asia now exceed $30 billion, and our annual trade surpasses that with any other region.

Unable to match this progress, the Soviet Union, North Korea, and Vietnam threaten the region with military aggression and political intimidation. The Soviet rape of Afghanistan, the criminal destruction of the KAL airliner, the genocide in Vietnam, Cambodia and Laos, the steady growth of Soviet SS-20 forces in East Asia, the rapid increase of the Soviet Pacific Fleet, the continuing build-up of North Korean forces and the brutal bombing of South Korean leaders in Rangoon, the recent deployment of Soviet forces at Cam Ranh Bay, the continued occupation of Cambodia by the Vietnamese, and chemical and biological weapons attacks against defenseless civilian populations in Afghanistan and Southeast Asia are some of the more obvious threats to the peace of Asia and to America's friends there.

Republicans salute the brave people of Afghanistan, struggling to regain their freedom and independence. We will continue to support the freedom fighters and pledge our continuing humanitarian aid to the thousands of Afghan refugees who have sought sanctuary in Pakistan and elsewhere.

To preserve free Asia's economic gains and enhance our security, we will continue economic and security assistance programs with the frontline states of Korea, Thailand, and Pakistan. We will maintain defense facilities in Korea, Japan, the Philippines, and the Indian Ocean to protect vital sea lanes.

We will promote economic growth while we strengthen human rights and the commitment to both democracy and free markets. We will help friendly nations deal with refugees and secure their help against drug cultivation and trafficking.

Our relations with Japan are central to America's role in the Far East, and they have never been better. The world's second-largest industrial power can make an increasingly important contribution to peace and economic development over much of Asia. We applaud Japan's commitment to

defend its territory, air space, and sea lanes. We are heartened by its increases in defense spending and urge Japan to further expand its contribution to the region's defense. We have made progress in our trade relations and affirm that, with good will on both sides, broader agreement is likely.

In keeping with the pledge of the 1980 Platform, President Reagan has continued the process of developing our relationship with the People's Republic of China. We commend the President's initiatives to build a solid foundation for the long-term relations between the United States and the People's Republic, emphasizing peaceful trade and other policies to promote regional peace. Despite fundamental differences in many areas, both nations share an important common objective: opposition to Soviet expansionism.

At the same time, we specifically reaffirm our concern for, and our moral commitment to, the safety and security of the 18 million people on Taiwan. We pledge that this concern will be constant, and we will continue to regard any attempt to alter Taiwan's status by force as a threat to regional peace. We endorse, with enthusiasm, President Reagan's affirmation that it is the policy of the United States to support and fully implement the provisions of the Taiwan Relations Act. In addition, we fully support self determination for the people of Hong Kong.

The Republic of Korea is a stalwart ally. To deter aggression, we will maintain our forces there which contribute to our common defense. Our growing economic relations are good for both countries and enhance our influence to foster a democratic evolution there.

We prize our special relationship with the Philippines. We will make every effort to promote economic development and democratic principles they seek. Because the Clark and Subic Bay bases are vital to American interests in the Western Pacific, we are committed to their continued security.

We recognize the close and special ties we have maintained with Thailand since the days of Abraham Lincoln. Thailand stands tall against the imperialist aggression of Vietnam and the Soviet Union in Southeast Asia.

We hail the economic achievements of the Association of Southeast Asian Nations. We will strengthen economic and political ties to them and support their opposition to the Vietnamese occupation of Cambodia.

Almost a decade after our withdrawal from Vietnam, thousands of Americans still do not know the fate of their fathers, brothers, and sons missing in action. Our united people call upon Vietnam and Laos with one voice: return our men, end the grief of the innocent, and give a full accounting of our POW-MIAs. We will press for access to investigate crash sites throughout Indochina. We support the efforts of our private citizens who have worked tirelessly for many years on this issue.

Africa

Africa faces a new colonialism. The tripartite axis of the Soviet Union, Cuba, and Libya has unleashed war and privation upon the continent. We are committed to democracy in Africa and to the economic development that will help it flourish. That is why we will foster free-market, growth-oriented, and liberalized trading policies.

As part of reforming the policies of the International Development Association, we have assisted in directing a larger proportion of its resources to sub-Saharan Africa. To nurture the spirit of individual initiative in Africa, our newly created African Development Foundation will work with African entrepreneurs at the village level. In addition, through our rejection of the austerity programs of international organizations, we are bringing new hope to the people of Africa that they will join in the benefits of the growing, dynamic world economy.

We will continue to provide necessary security and economic assistance to African nations with which we maintain good relations to help them develop the infrastructure of democratic capitalism so essential to economic growth and individual accomplishment. We will encourage our allies in Europe and east Asia to coordinate their assistance efforts so that the industrialized countries will be able to contribute effectively to the economic development of the continent. We believe that, if given the choice, the nations of Africa will reject the model of Marxist state-controlled economies in favor of the prosperity and quality of life that free economies and free people can achieve.

We will continue to assist threatened African governments to protect themselves and will work with them to protect their continent from subversion and to safeguard their strategic minerals. The Reagan-Bush Administration will continue its vigorous efforts to achieve Namibian independence and the expulsion of Cubans from occupied Angola.

We reaffirm our commitment to the rights of all South Africans. Apartheid is repugnant. In South Africa, as elsewhere on the continent, we support well-conceived efforts to foster peace, prosperity, and stability.

Foreign Assistance and Regional Security

Developing nations look to the United States for counsel and guidance in achieving economic opportunity, prosperity, and political freedom. Democratic capitalism has demonstrated, in the United States and elsewhere, an unparalleled ability to achieve political and civil rights and long-term prosperity for ever-growing numbers of people. We are confident that democracy and free enterprise can succeed everywhere. A central element in our programs of economic assistance should be to share with others the beneficial ideas of democratic capitalism, which have led the United States to economic prosperity and political freedom.

Our bilateral economic assistance program should be directed at promoting economic growth and prosperity in developing nations. Therefore, we support recently enacted legislation untying our programs from the policies of austerity of international organizations such as the International Monetary Fund.

We have changed the Carter-Mondale policy of channeling increasing proportions of U.S. assistance through multinational institutions beyond our control. We strongly support President Reagan's decision not to increase funding for the International Development Association because of its predilection for nations with state-dominated economic systems. Our contribution to the International Fund for Agricultural Development will be eliminated due to its consistent bias toward non-market economies. And the anti-American bureaucracy of the U.N.'s Educational, Scientific and Cultural Organization (UNESCO) will no longer be supported by U.S. taxpayers. We will not support international organizations inconsistent with our interests. In particular, we will work to eliminate their funding of Communist states.

Prominent among American ideals is the sanctity of the family. Decisions on family size should be made freely by each family. We support efforts to enhance the freedom of such family decisions. We will endeavor to assure that those who are responsible for our programs are more sensitive to the cultural needs of the countries to which we give assistance.

As part of our commitment to the family and our opposition to abortion, we will eliminate all U.S. funding for organizations which in any way support abortion or research on abortion methods.

To strengthen bilateral foreign assistance, we will reduce or eliminate assistance to nations with foreign policies contrary to our interests and strengthen the Secretary of State's hand by ensuring his direct control over assistance programs.

Foreign military assistance strengthens our security by enabling friendly nations to provide for their own defense, including defense against terrorism.

Terrorism is a new form of warfare against the democracies. Supported by the Soviet Union and others, it ranges from PLO murder to the attempted assassination of the Pope. Combatting it requires an integrated effort of our diplomacy, armed forces, intelligence services, and law-enforcement organizations. Legislative obstacles to international cooperation against terrorism must be repealed, followed by a vigorous program to enhance friendly nations' counter-terrorist forces. In particular, we seek the cooperation of our hemispheric neighbors to deal comprehensively with the Soviet and Cuban terrorism now afflicting us.

International Organizations

Americans cannot count on the international organizations to guarantee our security or adequately protect our interests. The United States hosts the headquarters of the United Nations, pays a fourth of its budget, and is proportionally the largest contributor to most international organizations; but many members consistently vote against us. As Soviet influence in these organizations has grown, cynicism and the double standard have become their way of life.

This is why President Reagan announced that we will leave the worst of these organizations, UNESCO. He has put the U.N. on notice that the U.S. will strongly oppose the use of the U.N. to foster anti-semitism, Soviet espionage, and hostility to the United States. The President decisively rejected the U.N. Convention on the Law of the Sea and embarked instead on a dynamic national oceans policy, animated by our traditional commitment to freedom of the seas. That pattern will be followed with regard to U.N. meddling in Antarctica and outer space. Enthusiastically endorsing those steps, we will apply the same standards to all international organizations. We will monitor their votes and activities, and particularly the votes of member states which receive U.S. aid. Americans will no longer silently suffer the hypocrisy of many of these organizations.

Human Rights

The American people believe that United States foreign policy should be animated by the cause of human rights for all the world's peoples.

A well-rounded human rights policy is concerned with specific individuals whose rights are denied by governments of the right or left, and with entire peoples whose

Communist governments deny their claim to human rights as individuals and acknowledge only the "rights" derived from membership in an economic class. Republicans support a human rights policy which includes both these concerns.

Republican concern for human rights also extends to the institutions of free societies—political parties, the free press, business and labor organizations—which embody and protect the exercise of individual rights. The National Endowment for Democracy and other instruments of U.S. diplomacy foster the growth of these vital institutions.

By focusing solely on the shortcomings of non-Communist governments, Democrats have missed the forest for the trees, failing to recognize that the greatest threat to human rights is the Communist system itself.

Republicans understand that the East-West struggle has profound human rights implications. We know that Communist nations, which profess dedication to human rights, actually use their totalitarian systems to violate human rights in an organized, systematic fashion.

The Reagan-Bush Administration has worked for positive human rights changes worldwide. Our efforts have ranged from support for the Helsinki Accords to our support of judicial and political reform in El Salvador.

The Republican Party commends President Reagan for accepting the Honorary Chairmanship of the campaign to erect a U.S. Holocaust Memorial in Washington, DC and supports the efforts of the U.S. Holocaust Council in erecting such a museum and educational center. The museum will bear witness to the victims and survivors of the Holocaust.

For Republicans, the struggle for human freedom is more than an end in itself. It is part of a policy that builds a foundation for peace. When people are free to express themselves and choose democratic governments, their free private institutions and electoral power constitute a constraint against the excesses of autocratic rulers. We agree with President Truman, who said: "In the long run our security and the world's hopes for peace lie not in measures of defense or in the control of weapons, but in the growth and expansion of freedom and self-government."

To this end, we pledge our continued effort to secure for all people the inherent, God-given rights that Americans have been privileged to enjoy for two centuries.

Advocacy for Democracy

To promote and sustain the cause of democracy, America must be an active participant in the political competition between the principles of Communism and of democracy.

To do this, America needs a strong voice and active instruments of public diplomacy to encounter the Communist bloc's massive effort to disinform and deceive world public opinion. Republicans believe that truth is America's most powerful weapon.

The Reagan-Bush Administration has elevated the stature of public diplomacy in the councils of government and increased the United States Information Agency budget by 44 percent in four years. New programs have been launched in television, citizen exchanges, and dissemination of written information. The National Endowment for Democracy has enlisted the talent of private American institutions, including the AFL-CIO and the U.S. Chamber of Commerce, to educate our friends overseas in the ways of democratic institutions. A sustained billion-dollar effort is modernizing and expanding the Voice of America, strengthening the Voice's signal, lengthening its broadcasts, improving its content, adding new language services and replacing antiquated equipment. Radio Marti, the new broadcast service to Cuba, will begin to broadcast the truth about Cuba to the Cuban people.

Initial steps have been taken to improve the capabilities of Radio Free Europe and Radio Liberty, which serve the captive nations of the Soviet bloc. We pledge to carry out a thorough improvement program for these radios, including new transmitters and other means of penetrating the jamming which denies the RFE/RL signal to millions of captive people, including the increasingly discontented Soviet minorities, behind the Iron Curtain.

Because of the importance we place on people-to-people exchange programs, Republicans support the dedicated work of Peace Corps volunteers. America must nurture good relations not only with foreign governments but with other peoples as well. By encouraging the free flow of ideas and information, America is helping to build the infrastructure of democracy and demonstrating the strength of our belief in the democratic example. The United States Peace Corps, reflecting traditional American values, will follow the White House initiative promoting free enterprise development overseas in third world countries.

The tradition of addressing the world's peoples, advocating the principles and goals of democracy and freedom, is as old as our Republic. Thomas Jefferson wrote the Declaration of Independence "with a decent respect to the opinions of mankind." This popular advocacy is even more important today in the global struggle between totalitarianism and freedom.

The Future of Our National Security

Republicans look to the future with confidence that we have the will, the weapons, and the technology to preserve America as the land of the free and the home of the brave. We stand united with President Reagan in his hope that American scientists and engineers can produce the technology and the hardware to make nuclear war obsolete.

The prospect for peace is excellent because America is strong again. America's defenses have only one purpose: to assure that our people and free institutions survive and flourish.

Our security requires both the capability to defend against aggression and the will to do so. Together, will and capability deter aggression. That is why the danger of war has grown more remote under President Reagan.

When he took office, defense policy was in disarray. The Carter-Mondale Administration had diminished our military capability and had confused the pursuit of peace with accommodating totalitarianism. It could not respond to the determined growth of Soviet military power and a more aggressive Soviet foreign policy.

We are proud of a strong America. Our military strength exists for the high moral purpose of deterring conflict, not initiating war. The deterrence of aggression is ethically imperative. That is why we have restored America's defense capability and renewed our country's will. Americans are again proud to serve in the Armed Forces and proud of those who serve.

We reaffirm the principle that the national security policy of the United States should be based upon a strategy of peace through strength, a goal of the 1980 Republican Platform.

Maintaining a technological superiority, the historical foundation of our policy of deterrence, remains essential. In other areas, such as our maritime forces, we should continue to strive for qualitative superiority.

President Reagan committed our nation to a modernized strategic and theater nuclear force sufficient to deter attack against the United States and our allies, while pursuing negotiations for balanced, verifiable reductions of nuclear weapons under arms control agreements.

In order to deter, we must be sufficiently strong to convince a potential adversary that under no circumstances would it be to its advantage to initiate conflict at any level.

We pledge to do everything necessary so that, in case of conflict, the United States would clearly prevail.

We will continue to modernize our deterrent capability, while negotiating for verifiable arms control. We will continue the policies that have given fresh confidence and new hope to freedom-loving people everywhere.

Arms Control for the Future

Americans, while caring deeply about arms control, realize that it is not an end in itself, but can be a major component of a foreign and defense policy which keeps America free, strong, and independent.

Sharing the American people's realistic view of the Soviet Union, the Reagan Administration has pursued arms control agreements that would reduce the level of nuclear weaponry possessed by the superpowers. President Reagan has negotiated with flexibility, and always from a position of strength.

In the European theater, President Reagan proposed the complete elimination of intermediate-range nuclear missiles. In the START talks with the Soviet Union, he proposed the "build-down" which would eliminate from the U.S. and Soviet arsenals two existing nuclear warheads for each new warhead.

The Soviet Union has rejected every invitation by President Reagan to resume talks, refusing to return unless we remove the Pershing II and Cruise missiles which we have placed in Europe at the request of our NATO allies. Soviet intransigence is designed to force concessions from the United States even before negotiations begin. We will not succumb to this strategy. The Soviet Union will return to the bargaining table only when it recognizes that the United States will not make unilateral concessions or allow the Soviet Union to achieve nuclear superiority.

The Soviet Union, by engaging in a sustained pattern of violations of arms control agreements, has cast severe doubt on its own willingness to negotiate and comply with new agreements in a spirit of good faith. Agreements violated by the Soviet Union include SALT, the Anti-Ballistic Missile Treaty of 1972, the Helsinki Accords, and the Biological and Toxin Weapons Convention of 1972. This pattern of Soviet behavior is clearly designed to obtain a Soviet strategic advantage.

To deter Soviet violations of arms control agreements, the United States must maintain the capability to verify, display a willingness to respond to Soviet violations which have military significance, and adopt a policy whereby the defense of the United

States is not constrained by arms control agreements violated by the Soviet Union.

We support the President's efforts to curb the spread of nuclear weapons and to improve international controls and safeguards over sensitive nuclear technologies. The President's non-proliferation policy has emphasized results, rather than rhetoric, as symbolized by the successful meeting of nuclear supplier states in Luxembourg in July of this year. We endorse the President's initiative on comprehensive safeguards and his efforts to encourage other supplier states to support such measures.

Defense Resources

The first duty of government is to provide for the common defense. That solemn responsibility was neglected during the Carter-Mondale years. At the end of the Eisenhower era, nearly 48 percent of the federal budget was devoted to defense programs representing 9.1 percent of our gross national product. By 1980, under Carter-Mondale, defense spending had fallen to only 5 percent of gross national product and represented only 24 percent of the federal budget. The Reagan Administration has begun to correct the weaknesses caused by that situation by prudently increasing defense resources. We must continue to devote the resources essential to deter a Soviet threat—a threat which has grown and should be met by an improved and modernized U.S. defense capability. Even so, the percentage of the Reagan Administration budget spent on defense is only half that of the Eisenhower-Kennedy era.

Readiness

In 1980, our military forces were not ready to perform their missions in the event of emergency. Many planes could not fly for lack of spare parts; ships could not sail for lack of skilled personnel; supplies were insufficient for essential training or sustained combat. Today, readiness and sustainability have improved dramatically. We not only have more equipment, but it is in operating condition. Our military personnel have better training, pride, and confidence. We have improved their pay and benefits. Recruiting and retaining competent personnel is no longer a problem.

Under the Democrats, the All-Volunteer Force was headed for disastrous failure. Because of the Carter-Mondale intransigence on military pay and benefits, we saw the shameful spectacle of patriotic service families being forced below the poverty level, relying on food stamps and other welfare programs. The quality of life for our military has been substantially improved under the Reagan Administration. We wholeheartedly support the all-volunteer armed force and are proud of our historic initiative to bring it to pass.

From the worst levels of retention and recruiting in post-war history in 1979, we have moved to the highest ever recorded. We are meeting 100 percent of our recruiting needs, and 92 percent of our recruits are high school graduates capable of mastering the skills needed in the modern armed services. In 1980, 13 percent of our ships and 25 percent of our aircraft squadrons reported themselves not combat ready because of personnel shortages. Today, those figures have dropped to less than 1 percent and 4 percent respectively.

Today, the United States leads the world in integrating women into the military. They serve in a variety of non-combat assignments. We have made significant strides in numbers of women and their level of responsibility. Female officer strength has grown by 24 percent under the Reagan Administration and is projected to increase, with even greater increases for non-commissioned officers.

Conventional and Strategic Modernization

In 1980, we had a "hollow army," a Navy half its numbers of a decade earlier, and an Air Force badly in need of upgrading. The Army is now receiving the most modern tanks, fighting vehicles, and artillery. The Navy has grown to 513 ships with 79 more under construction this year, well on its way toward the 600-ship, 15-carrier force necessary for our maritime strategy. The Air Force has procured advanced tactical aircraft. By decade's end, our intertheater lift capacity will have increased by 75 percent. We pledge to rescue a shipbuilding industry consigned to extinction by the Carter-Mondale team.

Since the end of World War II, America's nuclear arsenal has caused the Soviet Union to exercise caution to avoid direct military confrontation with us and our close allies.

Our nuclear arms are a vital element of the Free World's security system.

Throughout the 1970s and up to the present, the Soviet Union has engaged in a vast buildup of nuclear arms. In the naive hope that unilateral restraint by the United States would cause the Soviet Union to reverse course, the Carter-Mondale Administration delayed significant major features of the strategic modernization our country needed. There was no arms race because only the Soviet Union was racing, determined to achieve an intimidating advantage over the Free World. As a result, in 1980, America was moving toward a position of clear nuclear inferiority to the Soviets.

President Reagan moved swiftly to reverse this alarming situation and to reestablish an effective margin of safety before 1990. Despite obstruction from many congressisonal Democrats, we have restored the credibility of our deterrent.

Reserve and Guard Forces

We salute the men and women of the National Guard and the Reserves. The Carter-Mondale team completely neglected our vital Reserve and Guard forces, leaving them with obsolete equipment, frozen pay, and thousands of vacancies.

The Reagan Administration has transformed our Reserve and National Guard. The Naval Reserve will ultimately operate 40 of the fleet's 600 ships. Navy and Marine Air Reserve units now receive the most modern aircraft, as do the Air Force Reserve and Guard. Army Reserve and Guard units now receive the latest tanks, infantry fighting vehicles and artillery. Reserve pay has increased 30 percent, and reserve components are having record success in filling their positions. Our country counts on the Reserves and the Guard, and they can count on us.

Management Reform

The Republican Party advocates a strong defense and fiscal responsibility at the same time. This Administration has already made major advances in eliminating the deep-rooted procurement problems we inherited. Republicans have changed the way the Pentagon does business, encouraging greater economy and efficiency, stretching the taxpayer's dollar.

Learning nothing from past mistakes, the Carter-Mondale Administration returned to centralized defense management. The predictable result: competition fell to only 15 percent of Pentagon procurement; programs were mired in disastrous cost overruns and disputes; outrageous and exorbitant prices were paid for spare parts; and the taxpayers' money was wasted on a grand scale.

We have tackled this problem head-on. We returned management to the Services and began far-reaching reforms. To hold down costs, we more than doubled competition in Pentagon procurement. We appointed Competition Advocate Generals in each Service and an overall Inspector General for the Pentagon. We increased incentives for excellent performance by contractors, and we have applied immediate penalty for poor performance. Our innovative approaches have already saved the taxpayers billions of dollars.

Spare parts acquisition has undergone thorough reform. Improving spare parts management, involving a Department of Defense inventory of almost four million items, is a complex and massive management challenge. The Pentagon's new 10-point program is already working. Old contracts are being revamped to allow competition, high prices are being challenged, and rigorous audits are continuing. As an example, a stool cap for a navigator's chair, once priced at $1,100, was challenged by an alert Air Force Sergeant. It now costs us 31 cents. The Pentagon obtained a full refund and gave the Sergeant a cash reward.

Our men and women in uniform deserve the best and most reliable weapons that this country can offer. We must improve the reliability and performance of our weapons systems, and warranties can be a very positive contribution to defense procurement practices, as can be the independent office of operational testing and evaluation, which was another positive Republican initiative.

The acquisition improvement program now includes program stability, multi-year procurement, economic production rates, realistic budgeting, and increased competition. The B-1B bomber, replacing our aging B-52 force, is ahead of schedule and under cost. We support our antisubmarine warfare effort and urge its funding at its current level. For the last two years, the Navy has received nearly 50 ships more than three years ahead of schedule and nearly $1 billion under budget. The *U.S.S. Theodore Roosevelt*, our newest aircraft carrier, is 17 months ahead of schedule and almost $74 million under cost.

We have reformed inefficient procurement practices established decades ago, and we will continue to ensure the most gain from each defense dollar.

The Tasks Ahead

The damage to our defenses through unilateral disarmament cannot be repaired quickly. The hollow Army of the Carter-Mondale Administration is hollow no more, and our Navy is moving toward a 600-ship force.

We share President Reagan's determination to restore credible security for our country. Our choice is not between a strong defense or a strong economy; we must succeed in both, or we will succeed in neither.

Our forces must be second to none, and we condemn the notion that one-sided military reduction will induce the Soviets to seek peace. Our military strength not only provides the deterrent necessary for a more peaceful world, but is also the best incentive for the Soviets to agree to arms reduction.

Veterans

America is free because of its veterans. We owe them more than thanks. After answering the call to arms, they brought leader-

ship and patriotism back to their communities. They are a continuing resource for America. Through their membership in veterans' service activities, they have strongly supported President Reagan's defense policy. Knowing first-hand the sacrifices of war, they have spoken out frequently for a strong national defense.

Veterans have earned their benefits; these must not be taken away. The help we give them is an investment which pays our nation unlimited dividends.

We have accomplished a great deal. We are meeting the needs of women veterans and ensuring them equal treatment. We must prepare to meet the needs of aging veterans.

We are addressing the unique readjustment problems of Vietnam veterans by expanding the store-front readjustment counseling program, extending vocational training and job placement assistance, and targeting research toward understanding delayed stress reaction in combat veterans. We have moved to alleviate the uncertainty of veterans exposed to Agent Orange by providing nearly 129,000 medical exams and by launching an all-out, government-wide research effort.

We are making major strides in improving health care for veterans. VA hospital construction has expanded to meet community needs, and benefits for disabled veterans have been improved.

We will maintain the veterans' preference for federal hiring and will improve health, education, and other benefits. We support the Reagan Administration's actions to make home ownership attainable by more veterans, as well as our program to help veterans in small business compete for government contracts. We will extend to all veterans of recent conflicts, such as Lebanon and Grenada, the same assistance.

In recognition of the unique commitment and personal sacrifices of military spouses, President Reagan has called upon the nation to honor them and proclaimed a day of tribute. We will remember them and advance their interests.

National Intelligence

Knowing our adversaries' capabilities and intentions is our first line of defense. A strong intelligence community focuses our diplomacy and saves billions of dollars. This critical asset was gravely weakened during the Carter-Mondale years.

We will continue to strengthen our intelligence services. We will remove statutory obstacles to the effective management, performance, and security of intelligence sources and methods. We will further improve our ability to influence international events in support of our foreign policy objectives, and we will strengthen our counterintelligence facilities.

Strategic Trade

By encouraging commerce in militarily significant technology, the Carter-Mondale Administration actually improved Soviet military power. Because of that terrible error, we are now exposed to significant risk and must spend billions of defense dollars that would otherwise have been unnecessary.

The Reagan Administration halted the Carter-Mondale folly. We have strengthened cooperation efforts with our allies to restrict diversion of militarily critical technologies. We will increase law-enforcement and counterintelligence efforts to halt Soviet commercial espionage and illegal exploitation of our technology.

Terrorism

International terrorism is not a random phenomenon but a new form of warfare waged by the forces of totalitarianism against the democracies.

In recent years, certain states have sponsored terrorist actions in pursuit of their strategic goals. The international links among terrorist groups are now clearly understood; and the Soviet link, direct and indirect, is also clearly understood. The Soviets use terrorist groups to weaken democracy and undermine world stability.

Purely passive measures do not deter terrorists. It is time to think about appropriate preventive or pre-emptive actions against terrorist groups before they strike.

Terrorism is an international problem. No one country can successfully combat it. We must lead the free nations in a concerted effort to pressure members of the League of Terror to cease their sponsorship and support of terrorism.

A Secure Future

During the Carter-Mondale Administration, the Soviets built more weapons, and more modern ones, than the United States. President Reagan has begun to reverse this dangerous trend. More important, he has begun a process that, over time, will gradually but dramatically reduce the Soviet Union's ability to threaten our lives with nuclear arms.

His leadership came none too soon. The combined damage of a decade of neglect and of relentless Soviet buildup, despite treaties and our restraint, will not be undone easily.

Today, the Soviet Union possesses over 5,000 intercontinental nuclear warheads powerful and accurate enough to destroy hard military targets, and it is flight-testing a whole new generation of missiles. The Carter-Mondale Administration left this country at a decided disadvantage, without a credible deterrent. That is why President Reagan embarked on a modernization program covering all three legs of the strategic triad.

Republicans understand that our nuclear deterrent forces are the ultimate military guarantor of America's security and that of our allies. That is why we will continue to support the programs necessary to modernize our strategic forces and reduce the vulnerabilities. This includes the earliest possible deployment of a new small mobile ICBM.

While the Carter-Mondale team hid beneath an umbrella of wishful thinking, the Soviet Union made every effort to protect itself in case of conflict. It has an operational anti-satellite system; the United States does not. A network of huge ultra-modern radars, new anti-missile interceptors, new surface-to-air missiles, all evidence the Soviet commitment to self-protection.

President Reagan has launched a bold new Strategic Defense Initiative to defend against nuclear attack. We enthusiastically support President Reagan's Strategic Defense Initiative. We enthusiastically support the development of non-nuclear, space-based defensive systems to protect the United States by destroying incoming missiles. Recognizing the need for close consultation with our allies, we support a comprehensive and intensive effort to render obsolete the doctrine of Mutual Assured Destruction (MAD). The Democratic Party embraces Mutual Assured Destruction. The Republican Party rejects the strategy of despair and supports instead the strategy of hope and survival.

We will begin to eliminate the threat posed by strategic nuclear missiles as soon as possible. Our only purpose (one all people share) is to reduce the danger of nuclear war. To that end, we will use superior American technology to achieve space-based and ground-based defensive systems as soon as possible to protect the lives of the American people and our allies.

President Reagan has asked, "Would it not be better to save lives than to avenge them?" The Republican Party answers, "Yes!"

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[1] Subcommittee Staff Directors.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, I have two unanimous consent requests which I believe have been cleared on both sides. I will state them now for the benefit of the minority leader and other Senators.

S. 2911 REFERRED TO COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BAKER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of S. 2911, a bill to regulate the transfer of funds for humanitarian purposes to nationals of the Socialist Republic of Vietnam, and that it be referred to the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

H.R. 6028 PLACED ON CALENDAR

Mr. BAKER. Mr. President, we hope to call up shortly the House-passed Labor-HHS appropriations bill for fiscal year 1985 (H.R. 6028). Unfortunately, this bill was inadvertently referred to the Committee on Appropriations rather than being placed on the Senate Calendar, as our procedures normally require when a companion Senate bill (S. 2836) is already on the calendar. To correct this oversight, and to permit immediate Senate consideration of the bill, I am requesting that the committee be discharged from further consideration of the House-passed measure and that bill be deemed as having been placed on the Senate Calendar on the day it was received.

Mr. President, I therefore ask unanimous consent that the Committee on Appropriations be discharged from further consideration of H.R. 6028, the Labor-HHS appropriations bill for fiscal year 1985 and that this bill be deemed as having been placed on the Senate Calendar on August 2.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTIONS OF SECRECY

Mr. BAKER. Mr. President, as in executive session,

I ask unanimous consent that the injunction of secrecy be removed from two treaties transmitted to the Senate by the President of the United States during the adjournment:

A convention on programme-carrying satellites (treaty Document No. 98-31), received on August 16, 1984; and

A tax convention with the Republic of Cyprus (treaty Document No. 98-32), received on August 22, 1984.

I also ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations; and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Convention Relating to the Distribution of Programme-Carrying Signals Transmitted by Satellite, signed by the United States on May 21, 1974. I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

The Convention obligates States party to the Convention to prevent interception and distribution on or from their territory of program-carrying signals transmitted by satellite. The purpose of the Convention is to clarify the status of satellite signals, in view of the uncertain nature of the commitment with respect to satellite signals which States have undertaken by adhering to other conventions which bear on radio communications and copyright. The Convention does not impose obligations on States party to it with respect to signals emitted from a satellite and intended for direct reception by the general public—direct broadcast satellite signals—or with respect to purely private reception and viewing of program-carrying signals provided there is no further distribution of such signals.

Ratification of the Convention will constitute an important policy statement by the United States concerning the unauthorized interception and distribution of television programs transmitted by satellite and will benefit U.S. television program producers, distributors and broadcasters by extending to them protection in other countries party to the Convention from unauthorized distribution of their works transmitted by satellite. In view of these benefits, there is strong support for early ratification of the Convention by the U.S. industries concerned with the creation and dissemination of television and radio programs.

I recommend, therefore, that the Senate give early and favorable consideration to the Convention and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *August 16, 1984.*

To the Senate of the United States:

I transmit herewith for Senate advice and consent to ratification the Convention between the Government of the United States of America and the Government of the Republic of Cyprus for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with an exchange of notes, signed at Nicosia on March 19, 1984. I also transmit the report of the Department of State on the Convention.

The Convention replaces an earlier convention signed at Nicosia on March 26, 1980, but returned by the Senate for renegotiation in December 1981. The new Convention incorporates the provisions of the 1980 treaty and includes revisions designed to eliminate the potential for abuse by third-country residents.

I recommend that the Senate give early and favorable consideration to this Convention, with the related exchange of notes, and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *August 21, 1984.*

ORDER FOR THE RECOGNITION OF SENATOR PROXMIRE ON TOMORROW

Mr. BAKER. Mr. President, I ask unanimous consent that on tomorrow, after the recognition of the two leaders under the standing order, the distinguished Senator from Wisconsin [Mr. PROXMIRE] be recognized on a special order for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL TOMORROW AT NOON

Mr. BAKER. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, that concludes my requirements for this day. May I inquire of the minority leader if he has any other matter to present to the Senate?

Mr. BYRD. Mr. President, I thank the majority leader. I have nothing.

Mr. BAKER. I thank the minority leader.

RECESS UNTIL TOMORROW

Mr. BAKER. Mr. President, seeing no other Senator seeking recognition, I move, in accordance with the order previously entered, that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and, at 4 p.m., the Senate recessed until tomorrow, Thursday, September 6, 1984, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate September 5, 1984:

DEPARTMENT OF STATE

Melvyn Levitsky, of Maryland, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

William L. Eagleton, Jr., of Washington, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Syrian Arab Republic.

Harvey J. Feldman, of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, with the rank of Ambassador.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Pauline Crowe Naftzger, of California, to be a member of the National Museum Service Board for a term expiring December 6, 1988, vice Neil Harris, term expired.

NATIONAL SCIENCE FOUNDATION

Nam Pyo Suh, of Massachusetts, to be an Assistant Director of the National Science Foundation, vice Francis Severin Johnson, resigned.

Rita R. Colwell, of Maryland, to be member of the National Science Board, National Science Foundation, for a term expiring May 10, 1990, vice Ernestine Friedl, term expired.

DEPARTMENT OF STATE

The following-named career member of the Senior Foreign Service of the Department of Commerce for promotion in the Senior Foreign Service to the class indicated:

Career member of the Senior Foreign Service of the United States of America, class of Career Minister:

Calvin C. Berlin, of Ohio.

The following-named career members of the Foreign Service of the Department of Commerce for promotion into the Senior Foreign Service as indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor:

James L. Blow, of Florida.
Norman D. Glick, of Maryland.
George Mu, of California.

DEPARTMENT OF STATE

The following-named persons in the Agency for International Development for appointment as Foreign Service officers as indicated:

For appointment as Foreign Service officers of class 1, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

William Joseph Ackerman, of Virginia.
Robert D. Adams, of Washington.
Peter Walter Amato, of New York.
Phillip R. Amos, of Texas.
Morris Chester Anderson, of Florida.
Robert Joseph Asselin, Jr., of California.
John Rakestraw Babylon, of California.
John Stuart Blackton, of California.
Bunyan Bryant, of Virginia.
Gary L. Byllesby, of California.
Marvin Cernik, of Texas.
Eugene Edward Chin, of California.
Royal R. Cline, of Virginia.
Ross Clavin Coggins, of Texas.
Paul Cohn, of California.
Francis J. Conway, of Florida.
John Peter Coury, of Connecticut.
John R. Davison, of Maryland.
Charles DeBose, of California.
Angel M. Diaz, of Puerto Rico.
Phyllis Leslie Dichter, of New Jersey.
John J. Dumm, of Virginia.
Kenneth R. Farr, of Michigan.
Abbe Fessenden, of Pennsylvania.
Claudio D. Fortunato, of California.
William Arnold Fraser, of Virginia.
James Edward Garder, of South Carolina.
Charles Shuttleworth Gordon, of California.
Michael P. Guido, of Virginia.
Roy G. Haftorson, Jr., of California.
Zachary M. Hahn, of Texas.
John Heard, of California.
John Frederick Hicks, of Florida.
Joe Oscar Hill, Jr., of Tennessee.
Lee Dennison Homo, of Florida.
Jerome Hulehan, of Maryland.
Richard John Hynes, of California.
Kenneth Sherman Johnson, of Virginia.
Robert E. Jordan, of Texas.
Albert Abraham Karian, of California.
William Gerald Kaschak, of Maryland.
Patsy Pool Layne, of Hawaii.
Micheal Justin Lippe, of Florida.
Hans Joseph Manz, of South Carolina.
Walter Howard McAleer, of California.
James O. McCabe, of Maryland
William A. Miller, of South Carolina.
Steven Paul Mintz, of Virginia.
Linda Ellen Morse, of Virginia.
Mason Charles Moseley, of California.
David Edward Mutchler, of Maryland.
Paul Joseph O'Farrell, of Maryland.
Andrew Joseph Olsen, of Virginia.
Desmond O'Riordan, of Washington.
Douglas R. Pickett, of Virginia.
David L. Piet, of Virginia.
John E. Popovich, Jr., of California.
Walter Ernest Popp, of California.
James Breinig Riley, of West Virginia.
James R. Roberts, of Maryland.
Leo L. Ruelas, of California.
Michael A. Rugh, of California.
Domenick J. Scarfo, of Florida.
Marc S. Scott, of Texas.
Richard M. Seifman, of the District of Columbia.
Thomas Joseph Shedlick, of Virginia.
Richard Lynn Shortlidge, Jr., of Maryland.
Samuel L. Skogstad, of Florida.
Joseph F. Stepanek, of Colorado.
Richard S. Stevenson, of Colorado.
Wilbur Gene Thomas, of Oklahoma.
Robert Venable Thurston, of Oregon.
Nancy M. Tumavick, of Virginia.
Richard L. Warin, of Oregon.
Anne M. Williams, of California.
Thomas J. Worrick, of Florida.
Samir M. Zoghby, of Virginia.

For appointment as Foreign Service officers of class 2, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

Glenn Edward Anders, of Florida.
Mary Ann Anderson, of California.
Murl R. Baker, of Kansas.
Michael Keith Baldwin, of Florida.
Thomas Zoltan Baranyi, of Virginia.
Terry James Barker, of Texas.
Enrique M. Barrau, of Colorado.
William B. Baucom, of North Carolina.
Raymond L. Baum, of Alaska.

James Beebe, of Florida.
Turra Bethune, of Mississippi.
Elena L. Brineman, of Virginia.
Keith E., Brown, of Tennessee.
Patricia K. Buckles, of Florida.
John R. Burdick, of the District of Columbia.
Darryl T. Burris, of Illinois.
Steven E. Carlson, of Virginia.
Louis Howard Carpenter, of Nevada.
Sidney A. Chambers, of Maryland.
Rajinder N. Chanda, of Virginia.
Toni Christiansen-Wagner, of Colorado.
Neal P. Cohen, of Florida.
Winfield S. Collins, of California.
Louis Joseph Cooke, of Illinois.
Henry Joseph Cope, of Virginia.
Carlos E. Crowe, of Nevada.
Anne Dammarell, of Ohio.
Richard C. Day, Jr., of California.
J. Michael Deal, of California.
David Anthony Delgado, of Florida.
David W. Devin, of Washington.
Dirk Willem Dijkerman, of New York.
Harry Cordell Dorcus, of Vermont.
Willima Hale Douglass, of California.
Mary Ellen Duffy, of the District of Columbia.
Paul G. Ehmer, of Washington.
Lawrence R. Eicher, of Florida.
Mary Pauline Feeney, of Indiana.
John Seraphine Figueira, of California.
Roberto Figueredo, of Louisiana.
Harold E. Fisher, of Hawaii.
Gerald L. Foucher, of Massachusetts.
Richard M. Fraenkel, of Connecticut.
Cynthia F. Giusti, of Texas.
John J. Giusti, of Florida.
Thomas Peter Golla, of Viriginia.
William R. Goodwin, of Florida.
Stephen H. Grant, of Virginia.
John Aron Grayzel, of New York.
Willard L. Grizzard, of Florida.
Frederick J. Guymont, of Virginia.
Jeremy J.D. Hagger, of Wisconsin.
Ronald Robert Hammersley, of Rhode Island.
Donald Mervin Harrison, of Virginia.
Benjamin Bryant Hawley, of New Jersey.
Gilbert N. Haycock, of Colorado.
Frederick G. Hayden, of the District of Columbia.
Stephen L. Haynes, of Louisiana.
Robert G. Hellyer, of California.
James C. Hester, of North Carolina.
Thomas Dewayne Hobgood, of New Jersey.
Marvin Everett Hurley, of Virginia.
James F. Jackson, of Florida.
John Willard Jones, of Virginia.
Thomas Hudner King, Jr., of Florida.
Stephen Arthur Klaus, of Virginia.
Francis Denis Light, of Maryland.
James B. Lowenthal, of Tennessee.
Barry James MacDonald, of Virginia.
Maura D. Mack, of Arizona.
Val Robert Mahan, of Florida.
John R. Martin, of Illinois.
Raymond S. Martin, of Pennsylvania.
Edwin T. McKeithen III, of California.
Thomas P. McLarney, of New York.
Vivikka M. Molldrem, of Maryland.
Adbel-Khalek M. Moustafa, of Virginia.
Reese Moyers, of Texas.
Desaix Myers III, of Virginia.
Richard Nishihara, of California.
Craig Sherril Noren, of Florida.
Karen J. Nurick, of Maryland.
Lawrence Lee Odle, Jr., of Washington.
Margaret S. O'Rourke, of California.
Jeremiah E. Parson, of New York.
William James Phelps, of Florida.
John James Pinney, Jr., of Kansas.
C. Travis Rattan, of Texas.
Joy Riggs-Perla, of Virginia.
Rafael Rosario, of Puerto Rico.
A Frederick Ryder, of Maine.
Joel Eric Schlesinger, of Maryland.
Loren L. Schulze, of the District of Columbia.
Alice M.N. Shimomura, of Virginia.
Lorraine Jeanne Simard, of Virginia.
Keith E. Simmons, of California.
Dwight A. Smith, of Ohio.
Alex M. Spathopoulos, of Florida.
Thomas Michael Stephens, of Iowa.
James E. Stephenson, of Florida.
Gordon Anthony Staub, of Florida.
Ronald B. Stryker, of Florida.
John M. Stuart, of Alabama.
Nicholas G. Studzinski, of Florida.
Michael Sullivan, of Nebraska.
Mildred Taylor, of North Carolina.
Carlton Mettauer Terry, of Virginia.
Richard L. Thornton, of Connecticut.
Thomas A. Totino, of Florida.
Helen M. Vaitaitis, of Virginia.
Dwight L. Walker, of New Mexico.
James Ryan Washington, of the District of Columbia.
Jerry L. Weaver, of Ohio.
Lyle A. Weiss, of Illinois.
Gordon Haughwout West, of California.
Max Harrison Williams, of Louisiana.
Dorothy Anne Young, of Florida.
Rafael Zelaya, of California.
James Christ Zervas, of Virginia.

For appointment as Foreign Service officers of class 3, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

Luis Edmundo Arreaga-Rodas, of California.
Sidney K. Bliss, Jr., of Vermont.
Roger Allen Bloom, of Ohio.
John J. Cloutier, of Oregon.
Rebecca W. Cohn, of Califorina.
Scot Joel Covert, of Virginia.
Danilo Cruz-DePaula, of California.
Evelyn Nancy Cullins, of New Jersey.
Wilma Louise Ditter, of California.
Clinton L. Doggett, Jr., of Virginia.
John Irvin Dorman, of Arizona.
Peter G. Downs, of Pennsylvania.
Mary Ann Epley, of Virginia.
Frank L. Fairchild, Jr., of Florida.
Sharon A. Fee, of California.
Kimberly Ann Finan, of Ohio.
William John Garvelink, of Virginia.
Richard J. Goughnour, of Florida.
Paul Douglas Guild, of Oregon.
Charles Habis, of California.
David Williams Hess, of Florida.
Henry S. Holland, of Washington.
Nedra Huggins-Williams, of Tennessee.
Robert A. Kahn, of New Mexico.
Dawn M. Liberi, of New York.
Mary Frances Likar, of California.
George E. Like, of Ohio.
Richard Joseph Mangrich, of Florida.
Linda Johnson Martin, of Illinois.
Patrick Michael McDuffie, of Washington.
Darell Lorne McIntyre, of Kentucky.
Diane Elizabeth McLean, of North Carolina.
Timothy J. Miller, of Montana.
Ursula Nadolny, of California.
Robert E. Navin, Jr., of New Jersey.
Nancy J. Newman, of Texas.
Paul F. Novick, of California.
Kathy L. Radimer, of New York.
Carl Shakir Rahmaan, of New York.
Daniel Ristine Rathbun, of California.
William Leslie Riley, of Mississippi.
Kevin Allyn Rushing, of Illinois.
Joseph Peter Salvo, of Florida.
Stanley Alan Stalla, of California.
John R. Thomas, of Florida.
Randal Jay Thompson, of California.
Kiertisak Toh, of Maryland.
Michael C. Trott, of Florida.
Joseph M. Varley, of Michigan.
Ross William Wherry, of Florida.
John J. Wiebler, of Connecticut.
Francesca Nelson Yi, of California.

The following-named person in the Agency for International Development for appointment as a Foreign Service officer of class 1, a Consular officer, and a secretary in the Diplomatic Service of the United States of America, effective March 19, 1984:

James Daniel Singletary, of Maryland.

DEPARTMENT OF STATE

The following-named persons in the Agency for International Development for appointment as career members of the Senior Foreign Service to the class stated, and also for any other appointments indicated:

For appointment as a career member of the Senior Foreign Service of the United States of America, class of Minister-Counselor:

Malcolm Heaton Butler, of Texas.

For appointment as a career Member of the Senior Foreign Service of the United States of America, class of Minister-Counselor, and a Consular officer and a Secretary in the Diplomatic Service of the United States of America:

Priscilla M. Boughton, of the District of Columbia.

For appointment as a career member of the Senior Foreign Service of the United States of America, class of Counselor, and a Consular officer and a secretary in the Diplomatic Service of the United States of America:

Charles E. Costello, of Maryland.

The following-named persons for appointment in the Foreign Service of the agencies indicated as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as a foreign Service Officer of class 1, a Consular officer, and a Secretary in the Diplomatic Service of the United States of America:

Frank E. Rhinehart, of California.

For appointment as a Foreign Service officer of class 2, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

Lane Cubstead, of Texas.

For appointment as Foreign Service officers of class 3, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Katherine R. Montgomery, of Pennsylvania.

U.S. INFORMATION AGENCY

Dotti Jones, of Texas.
Frances Sullinger, of Texas.

For appointment as Foreign Service officers of class 4, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Kay L. Anske, of Texas.
Jonathan S. Benton, of Virginia.
Roberto Gonzales Brady, of California.
Steven A. Browning, of Texas.
John W. Chamberlin, of New York.
Raul E. Chavera, of Texas.
Helen M. Collings, of Connecticut.
Bruce Edward Connuck, of Virginia.
Michael R. Evans, of Utah.

Peter Steven Gadzinski, of California.
William Robert Gaines, Jr., of California.
Doreen Tam Glanville, of Massachusetts.
George Allen Glass, of New Jersey.
Ted K. Gong, of California.
Todd R. Greentree, of California.
Linda L. Gresham, of Tennessee.
Darrell Allan Jenks, of Pennsylvania.
Edward T. Kata, of New Jersey.
Lily Kosier, of California.
Howard M. Krawitz, of Pennsylvania.
Helen R. Meagher La Lime, of Florida.
Henry Alan Levine, of the District of Columbia.
Paula Reed Lynch, of Virginia.
Awilda R. Marquez, of the District of Columbia.
Wendell Alexander Matthews, of the District of Columbia.
Michael Vincent McCabe, of Florida.
Joseph Sherwood McGinnis, Jr., of Maryland.
Robert William Merrigan, of Oregon.
Virginia E. Morris, of California.
Joseph Adamo Mussomeli, of Texas.
Snaron Flack Mussomeli, of Texas.
Nancy J. Neubert, of Vermont.
Louis John Nigro, of Florida.
Evans Lee Press, of California.
Eunice Sharon Reddick, of New York.
J. Paul Reid, of California.
Deborah McCarthy Rocha, of California.
Mario Ruggia, of Texas.
Dana Phelps Sherman, of California.
Richard Morey Sherman, of Virginia.
Thomas Alexander Steele, of Georgia.
Gordon John Stirling, of Utah.
Susan M. Struble, of California.
Alan Roger Tousignant, of Massachusetts.
Frank Charles Urbancic, Jr., of Indiana.
Paul Biggs van Son, of Florida.
Roy L. Whitaker, of Kansas.
Alec Wilczynski, of California.

U.S. INFORMATION AGENCY

Carlos S. Bakota, of Texas.
Chantal B. Dalton, of New Jersey.
Darrell K. Ellison, of New York.
Julie Gianelloni, of Texas.
Michael G. Hahn, of Virginia.
Arlene R. Jacquette, of Rhode Island.
Mary Harris Johnson, of North Carolina.
William C. Jones, of Missouri.

The following-named members of the Foreign Service of the Departments of State and Commerce, and the U.S. Information Agency to be Consular officers and/or secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular officers and secretaries in the Diplomatic Service of the United States of America:

Richard Jonathan Adams, of Georgia.
Jay Nicholas Anania, of Maryland.
John J. Arends, of North Dakota.
Lois Armine Aroian, of Michigan.
Gary Grant Bagley, of Maine.
Judith R. Baroody, of Virginia.
John W. Berg, of Maryland.
Gary Berntsen, of New Mexico.
Douglas McAlpine Berry, of New York.
Timothy Alan Betts, of California.
Elizabeth Leitch Bonkowsky, of Florida.
Joseph Murphy Bracken, of Maryland.
Lee Anthony Brudvig, of California.
Patricia Ann Cameron, of Virginia.
Thomas R. Carmichael, of Florida.
Leigh G. Carter, of Florida.
Cheryl A. Casebeer, of California.
Carey Edward Cavanaugh, of Florida.
David Michael Cohen, of New York.
Mary Sue Conway, of Virginia.
Cynthia Colleen Connell, of New Hampshire.
Betty Lee Craig, of Virginia.
John S. Cronlund, of Maryland.
Donald P. Cruse, of Wisconsin.
John F. Crutcher, of California.
John L. Cummings, of Virginia.
Oscar G. DeSoto, of Virginia.
Charles Edward Dickens, of New York.
James C. Dickmeyer, of Ohio.
Brian K. Dickson, of Indiana.
John C. Dickson, of New Hampshire.
John Dixon, of Maryland.
Kenneth Michael Durkin, of Maryland.
C. Eileen Early, of New York.
Erik P. Eklund, of Minnesota.
Heidi-Marie Flannery, of Virginia.
Mary Marcia Fleming, of Virginia.
James Frederick Freund, of Virginia.
Donald Jeffrey Gatto, of New York.
Mary Ellen Grandfield, of Massachusetts.
Helen McCandless Greeley, of California.
Alexander G. Gryschuk, of Florida.
Christopher A. Gucwa, of New York.
Sheila S. Gwaltney, of California.
Ann Alison Haas, of Virginia.
David Maclain Hale, of New Jersey.
Lucy H. Hall, of Arizona.
Jay M. Harris, of Colorado.
Bruce E. Held, of Florida.
Stephen J. Helgesen, of Connecticut.
Judith A. Henderson, of Pennsylvania.
Phillip P. Hoffmann, of Illinois.
Christopher J. Hoh, of Pennsylvania.
Linda May Holmes, of California.
Eleanor J. Holstein, of Massachusetts.
Michael J. Honnold, of California.
Sanford B. Hunt, of Maryland.
James W. Hutcheson, of Virginia.
George William Indyke, Jr., of New Jersey.
Jeffrey C. Irwin, of Washington.
William J. Jamieson, of Georgia.
Bradford H. Johnson, of Massachusetts.
Sura Rochen Johnson, of California.
Todd M. Johnson, of Washington.
Philip Montgomery Jones, of Colorado.
David J. Katz, of Washington.
James J. Kenney, Jr., of Maryland.
Brodrick A. Klinger, of Pennsylvania.
John Marsh Kuschner, of New York.
Michael J. Labriola, of Virginia.
Charna L. Lazar, of Florida.
Barbara Anne Leaf, of the District of Columbia.
James Andrew Lewis, of Illinois.
Patrick J. Linehan, of Wisconsin.
Earle D. Litzenberger, Jr., of Virginia.
Ambrocio Lopez, of California.
Edward F. Malinowski, of Puerto Rico.
Lara Marlowe, of California.
Christopher John Marut, of Connecticut.
John Cotton Mather, of Virginia.
Gray McCalley, Jr., of Georgia.
Matthew J. McGrath, of Illinois.
Karen Jo McIsaac, of New York.
John F. McNamara, of New Hampshire.
Matthew A. Meyer, of Virginia.
Stephan L. Milliken, of Virginia.
Thomas Harald Moore, of Virginia.
Roger James Moran, of New York.
Gregory Charles Morris, of Virginia.
William Henry Moser, of Georgia.
Rolf Mowatt-Larssen, Jr., of Virginia.
Albert P. Mueller, of California.
Thomas Joseph Navratil, of Wisconsin.
James D. Nealon, of Maryland.
Marc Ellington Norman, of Maryland.
Stanley Arnold Otto, of Iowa.
William R. Palmer, of Wisconsin.
Robert A. Pollard, of Virginia.
Joseph M. Pomper, of the District of Columbia.
James Radford Pritchett, of Alabama.
Robert H. Reynolds, of the District of Columbia.
Ronald B. Richard, of Maryland.
Gary D. Robbins, of Washington.
Dolores E. Ryan, of Florida.
Alfred L. Samuel, of South Carolina.
Brian M. Sapsford, of Michigan.
Fredericka Ann Schmadel-Heard, of Indiana.
Eric J. Schoenberg, of New Jersey.
Susan Marie Selbin, of Alaska.
John Stephen Sequeira, of Virginia.
Thomas Alfred Shannon Jr., of Virginia.
Susan Elizabeth Shepherd, of North Carolina.
Peter Scott Sherman, of Virginia.
Josie S. Shumake, of Mississippi.
Douglas Alan Silliman, of Texas.
Micheal Dean Slack, of Indiana.
Timothy W. Smith, of Pennsylvania.
Franklin Sparhawk, of Virginia.
Sandra A. Stevens, of Virginia.
William Ralph Stewart, of Connecticut.
Richard W. Stites, of California.
Marc J. Susser, of Maryland.
Michael J. Sweet, of Virginia.
Mark S. Tauber, of New Jersey.
Harry Keels Thomas, Jr., of New York.
Joseph Benjamin Torres, of Colorado.
Steven M. Toy, of California.
Ronald A. Trigg, of Indiana.
Joan B. Vandaveer, of Pennsylvania.
Lucien S. Vandenbroucke, of Maryland.
Rebecca Elsie Van Doren-Shulkin, of Virginia.
Susan R. Wagner, of Maryland.
Roman Hugh Wasilewski, of Virginia.
Mark A. Wentworth, of Maine.
Nyoka White, of Virginia.
Daniel H. Wicks, of Virginia.
Sheree Welch Willis, of Kansas.
Rebecca R. Winchester, of New Mexico.
Christopher A. Winslow, of Virginia.
John L. Withers II, of Maryland.
Jo Ann York, of California.

Consular officers of the United States of America:

Kathi R. Bocko, of New Hampshire.
John E. Dixon, Jr., of Maryland.
Martin Patrick Lahiff, of California.
John F. Lee, of Virginia.
Bruce W. Tully, of Maryland.

Secretaries in the Diplomatic Service of the United States of America:

William A. Brekke, of South Dakota.
Daniel E. Harris, of New York.

DEPARTMENT OF STATE

The following-named career members of the Foreign Service of the United States Information Agency for promotion into the Senior Foreign Service as indicated:

Career members of the Senior Foreign Service of the United States of America, class of Counselor, and Consular officers and secretaries in the Diplomatic Service of the United States of America:

David F. Lent, of Vermont.
Charles H. Mitchell, of California.

The following-named persons of the agencies indicated for appointment as Foreign Service officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as a Foreign Service officer of class 1, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Janice Johnson Lyon, of Utah.

For appointment as a Foreign Service officer of class 3, a Consular officer, and a secretary in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

Nola L. Day, of Vermont.

For appointment as Foreign Service officers of class 4, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF STATE

Bernadette Mary Allen, of Maryland.
James Warren Bean, of Colorado.
William McKinley Blaine III, of California.
James Bradford Bond, of Oregon.
John Jack Boris, of Connecticut.
Jonathan P. Brecht, of New York.
Robert Andrew Callard, of West Virginia.
Jorge Cintrón, of Puerto Rico.
James F. Cole, of New York.
Anne E. Derse, of Michigan.
Richard Gaines de Villafranca, of Connecticut.
Philo L. Dibble, of the District of Columbia.
Paul Martin Doherty, of California.
James Frederick Entwistle, of Virginia.
George A. Flowers, Jr., of Florida.
Alred F. Fonteneau, of Texas.
Gerard M. Gallucci, of Pennsylvania.
Jeffrey Wood Garrison, of Florida.
Mason S. Green, of Connecticut.
Richard A. Herold, of Illinois.
John Hitchcock, of Washington.
Linda Marcus Hochstein, of Maryland.
Daniel F. Keller, of Texas.
Wade P. Leahy, of Arizona.
Frank M. Lemay, of the District of Columbia.
Robert Nielsen Marquardt, of California.
Jackson C. McDonald, of Florida.
Craig W. McKee, of Iowa.
Edward R. McMahon, of New Jersey.
Stephen Maxwell Miller, of California.
Désirée A. Millikan, of Missouri.
Katharine S. Mitchell, of Colorado.
Douglas Bruce Neumann, of California.
Roberta Lynn Newell, of Washington.
Richard B. Norland, of New Hampshire.
Stephen R. Pattison, of Texas.
James D. Pettit, of Iowa.
Walter N.S. Pflaumer, of Pennsylvania.
Kevin L. Richardson, of New Jersey.
Lloyd Macauley Richardson, of New Hampshire.
Susan Elizabeth Salem, of Florida.
Stephen L. Savage, of Colorado.
Michael A. Spangler, of Arkansas.
William Martin Strawn, of the District of Columbia.
Holcombe Harper Thomas, Jr., of South Carolina.
Lucy Perron Uncu, of Connecticut.
Vicente Valle, Jr., of Florida.
Nereida Maria Vazquez, of Florida.
Joan S. Wadelton, of New Jersey.
Douglas Bruce Wake, of New York.
John Raymond Walser, of North Carolina.
David Gage Whittlesey, of Maine.

For appointment as Foreign Service officers of class 4, Consular officers, and secretaries in the Diplomatic Service of the United States of America:

U.S. INFORMATION AGENCY

John H. Brown, of California.
Pamela Corey-Archer, of California.
Christopher James Datta, of New Jersey.
Karl Henry Fritz, of the District of Columbia.
Jeffrey Thomas Gersick, of California.
Ann Lyman Henderson, of New Jersey.
L. W. Koengeter, of Hawaii.
John Karl Menzies, of California.
Karl Gordon Nelson, of Utah.
Angier Peavy, of Texas.
Richard Scorza, of Florida.
Mark Jay Smith, of California.
William H. Wanlund, of the District of Columbia.

The following-named members of the Foreign Service of the Departments of State and Commerce and the U.S. Information Agency, to be Consular officers and/or secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Carlos Aranaga, of Maryland.
John Richard Arndt, of Florida.
Herman O. Bailey, of Michigan.
Albert E. Breland, Jr., of Arizona.
Peter M. Brennan, of the District of Columbia.
Herbert Renard Brown, of Florida.
Paula J. Brumbaugh, of California.
Jose A. Cadena, of Texas.
Matthew L. Chin, of Oregon.
Carl Seymour Cockburn, of Oklahoma.
Ellen G. Connor, of the District of Columbia.
David M. Cromley, of Pennsylvania.
John Peter Deasy, Jr., of Massachusetts.
Marguerite Dove, of Connecticut.
Stephen E. Dye, of New Jersey.
Verna S. Farkash, of Pennsylvania.
Susan Fieldhouse, of Pennsylvania.
James Stuart Finch, of Pennsylvania.
Suen Anne Smethills Flaherty, of Colorado.
Carol E. Flynn, of California.
Judith Gail Garber, of New York.
Norman Anthony Germino, of North Carolina.
Jeffrey Mark Glassman, of Massachusetts.
Roy A. Glover, of Minnesota.
Kevin J. Gordon, of New York.
Mary Anne Gorjance, of Washington.
Patricia A. Grundeman, of Virginia.
Charles Bryson Gurney, of Tennessee.
Ramona P. Harper, of Florida.
Jeffery L. Hawkins, of Texas.
John J. Jablonski, of Minnesota.
Thomas M. Jennings, of Maryland.
James W. Keegan, of Iowa.
Helene Michelle Kessler, of Massachusetts.
Allen D. Kobliska, of Wisconsin.
Ingrid M. Kollist, of the District of Columbia.
Richard O. Lankford, of Pennsylvania.
Sally Mathiasen Light, of Washington.
Mercedes L. Liriano, of Connecticut.
Lawrence C. Mandel, of Massachusetts.
Barbara C. Maslak, of the District of Columbia.
Thomas R. Matthews, of Pennsylvania.
Joni E. McFarland, of Tennessee.
James R. Micsan, of California.
Jacqueline Lee Mok, of New York.
James R. Moore, of the District of Columbia.
Richard A. Murphy, of Maryland.
Michael D. Nelson, of Arizona.
Lawrence R. Neves, of Maryland.
Brian Kent Oberle, of Michigan.
R. Keith Ogden, Jr., of Louisiana.
Rosa M. Pelayo, of Texas.
Katharine Tinsley Place, of Virginia.
Honora M. Rankine-Galloway, of New York.
Lance C. Rennie, of Washington.
Eric Marshall Rice, of California.
Earl M. Rickerson, of Virginia.
Kathleen A. Riley, of Nevada.
Richard W. Rockwell, of Florida.
Donna J. Roginski, of Virginia.
Albert L. Sasseville, of Puerto Rico.
Julie K. Satterfield, of Nebraska.
David R. Shedd, of New York.
Gregory Scott Slotta, of California.
Sarah Ann Smith, of California.
Steven P. Smith, of Virginia.
James V. Soriano, Jr., of Virginia.
Gary M. Spackey, of Indiana.
Marguerite H. Squire, of Maryland.
Jack W. Staton, of West Virginia.
Paul R. Sutphin, of Virginia.
Sonja G. Sweek, of Arkansas.
Beverly A. Thacker, of California.
Hendrik van der Meulen, of Ohio.
Michele A. Vautrain, of Massachusetts.
Jimmie D. Warnell, of California.
Robert H. Weidman, Jr., of Virginia.
Elizabeth Ann Welden, of Virginia.
Donna Welton, of New York.
Margaret Westmoreland, of Arizona.
Benjamin Whitten, of California.
Roy F. Wiese, of Virginia.
Bisa Williams-Manigault, of Texas.
Robert Roger Winship, of Washington.
John S. Wood, of Illinois.
William G. Young, of New Jersey.

Consular officers of the United States of America:

Joyce C. Blackmon, of Texas.
Bruce Terry Howe, of Virginia.
Betsy June Malpass, of Virginia.

Secretaries in the Diplomatic Service of the United States of America:

James S. Bodnar, of Virginia.
Lane T. Cubstead, of Texas.
Elizabeth Montagne, of Illinois.
Todd N. Thurwachter, of Kentucky.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601 and additional duty as senior U.S. Air Force member, Military Staff Committee of the United Nations, under the provisions of title 10, United States Code, section 711:

To be lieutenant general

Maj. Gen. Robert H. Reed, [redacted], U.S. Air Force.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Howard W. Leaf, [redacted], U.S. Air Force.

IN THE AIR FORCE

The following person for appointment as Reserve of the Air Force, in the grade indicated under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be colonel

Levinson, John M., [redacted]

IN THE NAVY

Lynn Lewis, Navy Enlisted Commissioning Program candidate, to be appointed permanent ensign in the line of the U.S. Navy, pursuant to title 10, United States Code, section 531.

The following-named Naval Reserve officers to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531.

Carter, Michael S.	Mathers, Bruce H.
Cink, Fred J., Jr.	Mowrey, James A.
Hawkins, Lynn A.	Myers, Derek F.
Hooker, Donald T., II	Pettit, Jonathan L.
Maher, James R.	Scarberry, Randall E.

Thomas, Prakash
Varney, Marc D.
Wasilewski, Gene S.
Wellman, William H.
Witham, Charles E., Jr.
Zora, John A.

Donald E. Longstreet, Navy enlisted candidate, to be appointed permanent chief warrant officer, W-3, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

Thomas R. Miller, lieutenant, U.S. Navy, retired, to be reappointed permanent lieutenant commander in the U.S. Navy from the Temporary Disability Retired List, pursuant to title 10, United States Code, section 1211.

The following-named medical college graduates to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593:

Galloway, John A.
Larkin, Edward D.
Schumer, William

IN THE NAVY

The following-named Naval Reserve Officers Training Corps Program candidates to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Fraunces, Michael G.
Hanson, William A.

The following-named Navy Enlisted Commissioning Program candidates to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Abegg, Stephen J.
Barton, Steven D.
Benson, Leo J.
Bryant, Mark S.
Chiong, Luis N.
Ebbs, William A.
Fletcher, Kim
Givans, Alvin
Helvey, Clete R.
Howard, Franklin
Johnson, William B.
Lebas, Philip
Lopez, Richard J.
Malicki, Sharon A.
Martin, Louis N., Jr.
Minton, Kenneth R.
Musgrave, Lawrence A.
Ortiz, Estavan E.
Payau, Stephen F.
Pillsley, Michael J.
Poole, Phillip T.
Rausch, Nancy J.
Sarantakis, Stephen D.
Spaulding, Dale R.
Weinshelbaum, Cynthia L.
Wiseman, Joyce A.
Zorn, Eric W.

The following-named Naval Reserve officers to be appointed permanent ensign in the line or Staff Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

Burgoyne, Douglas J.
Burks, James G., Jr.
Kenton, Jonathan W.
Weathersby, Mark E.
Whisman, Curtis D.

Russell Sturgis, chief warrant officer, W-3, U.S. Navy, to be appointed permanent chief warrant officer, W-2, in the U.S. Navy, pursuant to title 10, United States Code, section 555.

Michael P. Grief, chief warrant officer, W-3, U.S. Navy, retired, to be reappointed temporary chief warrant officer, W-4, in the U.S. Navy from the Temporary Disability Retired List, pursuant to title 10, United States Code, section 1211.

Rodney C. Dwyer, medical college graduate, to be appointed permanent commander in the Medical Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

Geza T. Terezhalmy, commander, U.S. Navy, to be appointed permanent commander in the Dental Corps of the U.S. Naval Reserve, pursuant to title 10, United States Code, section 593.

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve for transfer into the Regular Marine Corps under the provisions of title 10, United States Code, section 531 and 555:

Lieutenant colonel

Harris, William H., [redacted]

Major

Biser, Mark H., [redacted]
McLean, Robert W., [redacted]
Setzer, Royce G., [redacted]
Wisniewski, Paul D., [redacted]

Captain

Aitken, William S., [redacted]
Anderson, James D., [redacted]
Anzaldua, Jose J., Jr., [redacted]
Arndt, Curtis P., [redacted]
Arnold, Philip G., [redacted]
Barker, Randy C., [redacted]
Bartlett, William W., [redacted]
Barton, Marcia S., [redacted]
Bashor, Robin L., [redacted]
Bench, William D., [redacted]
Billips, Paul E., [redacted]
Booth, Steven K., [redacted]
Boyce, Mark R., [redacted]
Connolly, Timothy J., Jr., [redacted]
Csutoros, Francis A., [redacted]
Demont, Jo K., [redacted]
Ellis, Richard C., [redacted]
Fabert, Michael G., [redacted]
Farmer, Harry W., Jr., [redacted]
Ferrari, John W., [redacted]
Fisher, Michael J., [redacted]
Fisher, Marc W., [redacted]
Fugere, Peder T., [redacted]
Grady, Aaron G., [redacted]
Griffin, Robert W., [redacted]
Grogan, Leo J., [redacted]
Hagenbrock, Joel R., [redacted]
Hansen, Andrew L., [redacted]
Harrison, Mark T., [redacted]
Hawken, James M., [redacted]
Hellar, Robert E., [redacted]
Hendrickson, Alan G., [redacted]
Hinzman, William L., [redacted]
Holland, Michael P., [redacted]
Howe, Rose M., [redacted]
Imes, Robert W., II, [redacted]
Jeffcoat, Patricia A., [redacted]
Jolevare, Irwin J., [redacted]
Jonas, David S., [redacted]
Jones, Michael A., [redacted]
Kaainoni, Robert E., Jr., [redacted]
Kelly, Keith R., [redacted]
Keverline, Kenneth W., [redacted]
Kincaid, Kathleen J., [redacted]
Kiriazes, Peter, [redacted]
Lakin, Stephen C., [redacted]
Longshore, John M., [redacted]
Lucas, Jeffrey G., [redacted]
Lueking, Richard W., [redacted]
Martin, Eddie D., [redacted]
Mason, Michael D., [redacted]
McClure, Kent I., [redacted]
Millard, Dean A., [redacted]
Mitchell, William M., Jr., [redacted]
Moak, Donald L., [redacted]
Mullins, Robert G., [redacted]
Nicholas, Kirk M., [redacted]
Ostrom, John E., [redacted]
Pearson, Roy A., [redacted]
Peterson, Michael J., [redacted]
Pettigrew, Mark J., [redacted]
Powers, Thomas E., [redacted]
Prindle, Bradford A., [redacted]
Rea, Edgar A., [redacted]
Richardella, Roland G., [redacted]
Riesbeck, John C., [redacted]
Sagaser, Michael B., [redacted]
Sargeant, Harry, III, [redacted]
Savage, Thomas E., [redacted]
Schellhorn, John E., [redacted]
Schwartz, John C., [redacted]
Secrest, Lloyd D., [redacted]
Seguin, Gerald H., [redacted]
Serr, Philip N., [redacted]
Shull, Mark K., [redacted]
Stearns, Edwin P., [redacted]
Stevens, John P., [redacted]
Trott, Richard W., [redacted]
Vanemburgh, James T., [redacted]
Vanwyk, Timothy D., [redacted]
Weber, Eric C., [redacted]
Welsh, Francis J., [redacted]
Whitehouse, Dana A., [redacted]
Wingard, Joseph R., [redacted]
Woods, Carl J., [redacted]
Woodward, John A., [redacted]

Lieutenant

Abbott, Michael L., [redacted]
Adams, Schott R., [redacted]
Airola, Eric A., [redacted]
Alheim, Heidi A., [redacted]
Allen, Raymond, [redacted]
Anderson, Howard W., Jr., [redacted]
Apolinario, Jeffrey J., [redacted]
Avery, Michael L., [redacted]
Baggett, Robert J., [redacted]
Baker, Laurent O., [redacted]
Baker, Steve J., [redacted]
Balasi, Victor F., [redacted]
Banks, Dwayne S., [redacted]
Bannister, John D., [redacted]
Barley, Kirk T., [redacted]
Barnes, Timothy M., [redacted]
Bearce, Alexander L., [redacted]
Behrends, Paul D., [redacted]
Benton, Michael D., [redacted]
Beutel, Kenneth L., [redacted]
Biggs, Christophe H., [redacted]
Bowden, Jeff A., [redacted]
Boynton, Frank R., [redacted]
Brakefield, James P., [redacted]
Bridel, Robert R., II, [redacted]
Brown, Gregory D., [redacted]
Brown, Marshall Y., [redacted]
Bruce, Donald S., [redacted]
Buford, John F., [redacted]
Bullard, John W., Jr., [redacted]
Burris, Edward H., [redacted]
Cain, Philip A., [redacted]
Campbell, Boyd W., [redacted]
Campbell, Michael F., [redacted]
Capps, John M., [redacted]
Carroll, Paul L., Jr., [redacted]
Clark, Steven E., [redacted]
Clifford, Richard D., [redacted]
Cobb, Norman R., [redacted]
Cone, Richard D., [redacted]
Coppock, Bradford T., [redacted]
Corroon, Charles K., [redacted]
Costa, Henry J., [redacted]
Cravens, Mark J., [redacted]
Crawford, Robert M., [redacted]
Crehan, Michael J., [redacted]
Culbert, Daniel E., [redacted]
Daly, Thomas P., Jr., [redacted]
Dalziel, Bryce J., [redacted]
Davis, Charles S., [redacted]
Davis, Stephen W., [redacted]
DeFazio, George W., [redacted]
DelColliano, John A., [redacted]
Devlin, William J., [redacted]
DiBenedetto, James W., [redacted]
Dion, Mitchell S., [redacted]
Dixon, Wales S., III, [redacted]
Dixon, Robert L., Jr., [redacted]
Dolphin, Glenn E., [redacted]
Donaleski, Karen G., [redacted]
Donnelly, Francis B., III, [redacted]
Donovan, Michael J., [redacted]
Downey, Gary C., [redacted]
Ducey, Lawrence E., [redacted]

Dunlap, Charles R., [redacted]
Dunn, John S., [redacted]
Econie, Mark L., [redacted]
Ekman, Christophe M., [redacted]
Erwin, Robert D., [redacted]
Estrada, Albert A., [redacted]
Etter, Michael S., [redacted]
Fararo, Raymond M., [redacted]
Farrar, Gregory N., [redacted]
Ferguson, William E., Jr., [redacted]
Ferraro, Peter J., [redacted]
Fierro, Timoteo R., Jr., [redacted]
Fischer, Gerard W., [redacted]
Fierlage, Peter S., [redacted]
Flowers, James N., [redacted]
Foley, Gregory S., [redacted]
Frederick, Kevin F., [redacted]
Fritz, David G., [redacted]
Gainer, Willie J., Jr., [redacted]
Galvin, Kent A., [redacted]
Geiger, Stephen L., [redacted]
Gibbs, Shirley, [redacted]
Goeser, George M., [redacted]
Goldner, Mark, [redacted]
Graczyk, John S., [redacted]
Groenink, Annette W., [redacted]
Gurney, David H., [redacted]
Hagenbuch, Kevin J., [redacted]
Haines, Bruce A., [redacted]
Hammond, Richard G., [redacted]
Hancock, Ben D., [redacted]
Hartsell, James S., [redacted]
Harvey, John J., Jr., [redacted]
Hathaway, Robert T., Jr., [redacted]
Hauser, Gregory E., [redacted]
Hawkins, Mantford C. II, [redacted]
Haynes, David J., [redacted]
Hedelund, Robert F., [redacted]
Hegmann, Richard E., [redacted]
Heinzel, David C., [redacted]
Held, Robert J., [redacted]
Hill, Howard C., [redacted]
Hirsch, Richard M., Jr., [redacted]
Hochstetler, Mary L., [redacted]
Hollingshead, Frank A., [redacted]
Holzheimer, Andrew, [redacted]
Hove, William M., [redacted]
Hudson, Bruce G., [redacted]
Hudson, Charles L., [redacted]
Hunter, Kay L., [redacted]
Jammal, Osamah A., [redacted]
Jaskolka, Michael S., [redacted]
Jean, Mark R., [redacted]
Johnson, Leslye J., [redacted]
Johnson, Ricky C., [redacted]
Jupp, David P., [redacted]
Kauzlarich, Mark M., [redacted]
Keiser, Kenneth J., Jr., [redacted]
Kelleher, Patrick A., [redacted]
Kelly, Stephen J., [redacted]
Kettenring, Carol A., [redacted]
Klingenberg, Daniel E., [redacted]
Knepper, Larry L., [redacted]
Krasovich, John M., [redacted]
Kuehl, Marcia A., [redacted]
Larison, Peter D., [redacted]
Laslavic, David S., [redacted]
Leberman, Odin F., Jr., [redacted]
Lee, James W., [redacted]
Linder, Stephen J., [redacted]
Locke, Gregory E., [redacted]
Loesing, Richard H., [redacted]
Logan, Rodney J., [redacted]
Love, Michael E., [redacted]
Mabe, Timothy R., [redacted]
Maberry, Jack A., [redacted]
MacVarish, James G., [redacted]
Mahoney, David A., [redacted]
Martinez, Alan R., [redacted]
Martinez, James B., Jr., [redacted]
Mast, Gregory L., [redacted]
Mastalski, Anthony C., [redacted]
Mayers, Crispin S., Jr., [redacted]
Mayman, Charles P., [redacted]
McBurney, Erin E., [redacted]
McCabe, Edward M., [redacted]
McClain, Ronald S., [redacted]
McComiskey, Edward J., [redacted]
McDavid, James E., [redacted]
McEvoy, William F., [redacted]
McFarland, Jeffrey T., [redacted]
McFarland, Thomas F., [redacted]
McGlade, Desmond P., [redacted]
McKenzie, Garrett J., [redacted]
McMurran, Peter B., [redacted]
McNerney, Jon A., [redacted]
McNulty, Kevin J., [redacted]
Messer, Rick J., [redacted]
Miller, Hans J., [redacted]
Miller, Jack E., Jr., [redacted]
Mitchell, Shelley J., [redacted]
Minarik, Robert J., [redacted]
Molitor, Mark L., [redacted]
Moore, Jeffrey A., [redacted]
Moore, Robert L., Jr., [redacted]
Moores, Terry M., [redacted]
Morgan, Steven G., [redacted]
Mortenson, Royal P., [redacted]
Mullins, David L., [redacted]
Mundy, Dwight A., [redacted]
Myers, David C., [redacted]
Nalepa, Gerald F., [redacted]
Neal, Donald G., [redacted]
Nelson, David A., [redacted]
Newman, O'brene L., Jr. [redacted]
Nowlin, William E., [redacted]
O'Brien, James A., [redacted]
O'Dwyer, James D., [redacted]
O'Hagan, James G., [redacted]
Oosterhuis, Patrick H., [redacted]
Owens, John M., [redacted]
Packard, Stanley A., [redacted]
Parks, Ted A., [redacted]
Patenaude, Paul R., Jr., [redacted]
Penn, Patrick S., [redacted]
Perry, Joseph M., [redacted]
Petracek, John V., [redacted]
Poleto, James J., Jr., [redacted]
Porter, Jeffrey A., [redacted]
Pouliot, Gary R., [redacted]
Powell, John T., Jr., [redacted]
Prichard, Robert A., [redacted]
Promutico, Marc A., [redacted]
Putnam, Raymond R., [redacted]
Quadrini, Sheila M., [redacted]
Raderstorf, Charles H., [redacted]
Reckart, David M., [redacted]
Reichert, David A., [redacted]
Reichert, Daniel J., [redacted]
Reilly, James E., III, [redacted]
Reske, Scott E., [redacted]
Reynolds, Jana K., [redacted]
Rhoades, Bryan M., [redacted]
Richardson, David L., [redacted]
Richardson, William J., [redacted]
Ridenour, Ellen K., [redacted]
Rigg, Bart A., [redacted]
Rivet, James C., [redacted]
Robbins, Herbert M., [redacted]
Robinson, Barbara A., [redacted]
Rocco, Michael A., [redacted]
Rocco, Robert J., [redacted]
Roderick, Michael J., [redacted]
Romero, Joseph D., [redacted]
Rooney, James P., Jr., [redacted]
Rowlands, David D., [redacted]
Rupp, Paul K., [redacted]
Sampson, Joseph P., [redacted]
Sawyers, Michael L., [redacted]
Schafer, Richard A., [redacted]
Schmarr, Daniel W., II, [redacted]
Schutt, Donald L., Jr., [redacted]
Schwalm, Ross H., [redacted]
Scrivenor, Arthur, IV, [redacted]
Scutellaro, Joseph A., [redacted]
Seger, Richard W., [redacted]
Senger, Terrence L., [redacted]
Shearer, David M., [redacted]
Sherman, Sterling S., [redacted]
Shock, Dewayne E., [redacted]
Siebenthal, Thomas C., [redacted]
Siegwarth, Mark D., [redacted]
Sieracki, Annette R., [redacted]
Silliman, Bradley J., [redacted]
Simmons, Denise J., [redacted]
Simonds, Frank H., Jr., [redacted]
Sinclair, Robert O., [redacted]
Smith, Brent A., [redacted]
Smith, David E., [redacted]
Smith, David L., [redacted]
Spangenberg, Christian, [redacted]
Stamour, Frederick C., [redacted]
Stringfellow, Darryl, [redacted]
Sweitzer, Timothy A., [redacted]
Taylor, Gary W., [redacted]
Thiberville, Robert A., [redacted]
Thorson, John O., III, [redacted]
Trautman, Kenneth G., [redacted]
Trzcinski, Stanley C., Jr., [redacted]
Tucker, Craig A., [redacted]
Vincze, Leslie S., [redacted]
Visconage, Susan C., [redacted]
Vombaur, Alonzo A., III, [redacted]
Waid, Michael R., [redacted]
Wainwright, William J., [redacted]
Walter, Thomas C., [redacted]
Walther, Martha A., [redacted]
Walton, Peter M., [redacted]
Wasser, John S., [redacted]
Watson, Leah B., [redacted]
Watters, David T., [redacted]
Weber, Joseph J., [redacted]
West, Robert S., [redacted]
Wheeler, Joseph H., III, [redacted]
White, Eric R., [redacted]
White, Stephen P., [redacted]
Whitecotton, Michael G., [redacted]
Williams, David R., [redacted]
Williams, Martha G., [redacted]
Wilmot, Timothy D., [redacted]
Yates, Gordon D., [redacted]
Yeager, Guy A., [redacted]
Zautcke, Donald W., [redacted]
Zielie, Terry B., [redacted]

Warrant Officer

Bohlen, Michael W., Sr., [redacted]
Kent, Harry D., [redacted]

HOUSE OF REPRESENTATIVE—*Wednesday, September 5, 1984*

The House met at 12 o'clock noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We earnestly pray, O gracious God, for Your blessings upon this assembly, upon all those who labor here for the welfare of our Nation. Give us the commitment to uphold those ideas and ideals in which we believe even as we are tolerant of those with whom we differ. Help us to affirm the motivations of other people that working together for the common good we may speak truth, do justice, value honor, and strive for peace for our generation and for the generations that follow. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Saunders, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On August 7, 1984:

H.R. 1492. An act to establish the Christopher Columbus Quincentenary Jubilee Commission; and

H.J. Res. 577. Joint resolution designating August 1984 as "Polish American Heritage Month."

On August 10, 1984:

H.R. 559. An act to amend the Securities Exchange Act of 1934 to increase the sanctions against trading in securities while in possession of material nonpublic information.

On August 11, 1984:

H.R. 1310. An act to provide assistance to improve elementary, secondary, and postsecondary education in mathematics and science; to provide a national policy for engineering, technical, and scientific personnel; to provide cost sharing by the private sector in training such personnel; to encourage creation of new engineering, technical, and scientific jobs; and for other purposes.

On August 16, 1984:

H.R. 4325. An act to amend part D of title IV of the Social Security Act to assure, through mandatory income withholding, incentive payments to States, and other improvements in the child support enforcement program, that all children in the United States who are in need of assistance in securing financial support from their parents will receive such assistance regardless of their circumstances, and for other purposes; and

H.R. 4952. An act to authorize the Secretary of Defense to provide assistance to certain Indian tribes for expenses incurred for community impact planning activities relating to the planned deployment of the MX missile system in Nevada and Utah in the same manner that State and local governments were provided assistance for such expenses.

On August 21, 1984:

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week"; and

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week."

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; and

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week."

On August 22, 1984:

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes.

On August 23, 1984:

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes.

On August 27, 1984:

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.

On August 28, 1984:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4596. An act to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, NY;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes; and

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes.

On August 29, 1984:

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes; and

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education.

On August 30, 1984:

H.R. 5712. An act making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes; and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1250. An act to improve access for handicapped and elderly individuals to registration and polling facilities for Federal elections;

H.R. 5561. An act to enhance the economic development of Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and for other purposes;

H.R. 5743. An act making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes; and

H.R. 5899. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5743) "An act making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1985, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. EAGLETON, Mr. STENNIS, Mr. CHILES, Mr. BURDICK, and Mr. SASSER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 5899) "An act making appropriations for the government of the District of Columbia and

other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1985, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. SPECTER, Mr. HATFIELD, Mr. MATTINGLY, Mr. DOMENICI, Mr. LEAHY, Mr. STENNIS, and Mr. BUMPERS to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2603) "An act to extend the authorization of appropriations for, and to revise the Older Americans Act of 1965," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HATCH, Mr. GRASSLEY, Mr. DENTON, Mr. THURMOND, Mr. KENNEDY, Mr. EAGLETON, and Mr. PELL to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills, joint resolutions, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2423. An act to provide financial assistance to the States for the purpose of compensating and otherwise assisting victims of crime, and to provide funds to the Department of Justice for the purpose of assisting victims of Federal crime;

S. 2926. An act to amend the Federal Food, Drug, and Cosmetic Act to revise the procedures for new drug applications, to amend title 35, United States Code, to authorize the extension of the patents for certain regulated products, and for other purposes;

S.J. Res. 275. Joint resolution to designate the month of October 1984 as "National Spina Bifida Month";

S.J. Res. 295. Joint resolution to provide for the designation of the week of October 14, through October 20, 1984, as "Myasthenia Gravis Awareness Week";

S.J. Res. 299. Joint resolution to designate November 1984, as National Diabetes Month;

S.J. Res. 305. Joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week";

S.J. Res. 309. Joint resolution authorizing and requesting the President to designate January 1985 as "National Cerebral Palsy Month";

S.J. Res. 316. Joint resolution designating the week of September 30 through October 6, 1984, as "National High-Tech Week";

S.J. Res. 318. Joint resolution to designate the week of September 16, 1984 through September 22, 1984, as "National Developmental Disabilities Awareness Week";

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week";

S.J. Res. 325. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Children's Week";

S.J. Res. 332. Joint resolution to proclaim October 16, 1984, as "World Food Day";

S.J. Res. 333. Joint resolution to designate September 21, 1984, as "World War I Aces and Aviators Day";

S.J. Res. 334. Joint resolution to provide for the designation of the month of November 1984, as "National Hospice Month";

S.J. Res. 335. Joint resolution to designate the week beginning on May 19, 1985, as "National Tourism Week";

S.J. Res. 336. Joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world";

S.J. Res. 337. Joint resolution designating October 1984, as "Computer Learning Month";

S.J. Res. 340. Joint resolution to designate the week of September 23, 1984 as "National Historically Black Colleges Week"; and

S. Con. Res. 75. Concurrent resolution favoring a National Museum of the U.S. Army.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *August 13, 1984.*

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 9:30 a.m. on Monday, August 13, 1984, the following messages from the Secretary of the Senate:

(1) That the Senate agreed to the House to amendment to S. 1806;

(2) That the Senate agreed to the House amendment to S. 2201;

(3) That the Senate agreed to the House amendments to S. 2085;

(4) That the Senate passed H.J. Res. 597;

(5) That the Senate passed H.J. Res. 574;

(6) That the Senate passed H.J. Res. 583;

(7) That the Senate passed H.J. Res. 529; and

(8) That the Senate passed H.J. Res. 452.

With kind regards, I am,

Sincerely,

BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills and joint resolutions on Thursday, August 16, 1984:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute Program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An Act to amend section 1601(d) of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street. Waterloo, NY;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State. The Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week";

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States;

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO, and for other purposes;

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Inc.;

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, UT, certain land and improvements in Box Elder County, UT;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such act, and for other purposes; and

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes.

□ 1210

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *September 5, 1984.*
Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5, Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from The White House as follows:

(1) At 3:00 p.m. on Monday, August 27, 1984 and said to contain a message from the President wherein he transmits the text of a governing international fishery agreement between the United States and the European Community (EEC), which was initialed at Washington on June 27, 1984; and

(2) At 4:15 p.m. on Thursday, August 30, 1984 and said to contain a message from the President whereby he submits an alternative pay plan for the annual Federal pay adjustment.

With kind regards, I am,
Sincerely,
BENJAMIN J. GUTHRIE,
Clerk, House of Representatives.

ALTERNATIVE PLAN FOR PAY ADJUSTMENT UNDER FEDERAL PAY COMPARABILITY ACT OF 1970—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-248)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, referred to the Committee on Post Office and Civil Service and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, September 5, 1984.)

TEXT OF INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE EUROPEAN ECONOMIC COMMUNITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 98-249)

The SPEAKER laid before the House the following message from the President of the United States; which was read, and together with the accompanying papers, referred to the Committee on Merchant Marine and Fisheries, and ordered to be printed:

(For message, see proceedings of the Senate of today, Wednesday, September 5, 1984.)

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. This is the day on which a new precedent will be established. We will call one Member from the majority side on the 1-minute speeches and then one Member from the Republican side, as the Chair so notified the House at an earlier date.

The Chair recognizes the gentleman from New York [Mr. STRATTON].

MAJOR UNFINISHED BUSINESS—CONFERENCE ON DEFENSE AUTHORIZATION ACT

(Mr. STRATTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRATTON. Mr. Speaker, as Congress reconvenes today, the most important item of unfinished business is the conference on the Defense Authorization Act.

Unless a conference report is signed into law, the status of our service personnel and the industries which produce our defense hardware are left with no clear guidance. The major stumbling block has been the MX missile. The House embargoed production prior to 1985; the Senate approved it.

Whatever our own personal views may be, it should be obvious now to all that the future of the MX depends totally on the November election.

If the President wins, the MX goes forward. If Mr. Mondale prevails, the MX goes down the drain, as the B-1 went down the drain in 1977 under Jimmy Carter. It is as simple as that.

Let us approve the rest of the bill and leave the MX to the voters.

THE FIRST ANNIVERSARY OF DOWNING OF KOREAN AIR LINES FLIGHT 007

(Mr. RUDD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

The SPEAKER. The gentleman from Arizona is the first to be recognized under the new precedent.

Mr. RUDD. Mr. Speaker, it was a year ago September 1 that our colleague Congressman Larry McDonald, and 268 other persons aboard Korean Air Lines flight 007 were brutally murdered by the Soviets over Sakhalin Island.

The facts have always been quite clear. The Korean Airliner accidentally strayed off course into Soviet airspace. It was headed off over international waters when it was attacked and destroyed by a Soviet fighter.

The shooting-down of an unarmed civilian aircraft was coldblooded murder. Don't forget it.

This first anniversary of the downing of flight 007 is an inevitable reminder of the Soviet's lack of respect for innocent human life and their willingness to use whatever amount of force to deny human rights and freedoms, and to advance their ambitions toward world domination.

The downing of the Korean Airliner flight 007 was an event that must never be forgotten by people anywhere who covet freedom and respect human rights. We must remember it, and we must do all we can to prevent further encroachment by communist tyranny into the free world.

STATEMENT ON CONSIDERATION OF AMERICAN DEFENSE EDUCATION ACT

(Mr. HAWKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAWKINS. Mr. Speaker, pursuant to the Democratic Caucus rules, I would like to inform the Members that I have asked the Rules Committee to grant a modified open rule on H.R. 5609, the American Defense Education Act. That bill should be before the Rules Committee next week and should be considered by the full House shortly thereafter.

The request I am making to the Rules Committee is that all amendments to that bill should be published in the CONGRESSIONAL RECORD for the day preceeding the bill's consideration on the House floor. In making this request it is not my purpose to limit any germane admendments to the bill. My only concern is to give Members adequate notice of the amendments which will be proposed.

The American Defense Education Act has 234 cosponsors, showing broad bipartisan support in the House of Representatives. I urge all my colleagues to vote for that bill when it is considered next week.

PARRIS INTRODUCES FEDERAL EMPLOYEE PAY RAISE LEGISLATION

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I have introduced legislation today which calls for a 4-percent pay increase for Federal officers and employees, effective as of October 1, 1984.

For several years now, Government workers have received limited pay increases, have had substantial reductions in health benefits, and have been required to contribute to the medicare trust fund. While I am encouraged by the low rate of increase on insurance premiums for this year, I am extremely distressed by the President's decision to limit the pay increase to 3½ percent and delay that increase until January.

The President's own pay advisers have projected that Federal pay lags behind comparable jobs in the private sector by over 18 percent. It is uncon-

scionable to once again delay their pay increase and limit it to only 3½ percent.

Our dedicated civil servants provide many vital services that touch each of our lives every day. If we want to continue to attract and retain qualified individuals to serve in Government, we must treat them in an equitable manner. To once again penalize them is simply unfair. I urge my colleagues to support my bill and a more responsible approach to Government employee compensation.

ANOTHER BLOODY SUNDAY IN ULSTER

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, more than 12 years ago in Northern Ireland there occurred an event which became known as Bloody Sunday where more than a dozen people were killed protesting British policy in Ulster.

Sunday, August 12, 1984, may well be remembered as a second Bloody Sunday for on this day we saw another ruthless display of British authority which resulted in death and injury to civilians.

The scene was Belfast. A peaceful rally involving several thousand individuals including scores of visiting Americans was underway. They were awaiting an appearance by Mr. Martin Galvin, publicity director of Irish Northern Aid who was to have led the American delegation except that he was banned from Northern Ireland by the British Government.

Galvin appeared and instantly the British security forces reacted by charging the crowd in their attempt to get to Galvin. It resulted in what Newsweek magazine called "one of the worst scenes of police violence seen in the Province in years." When it was over, one 22-year-old bricklayer named Sean Downes lay dead from a plastic bullet fired at point blank range and some 20 persons including some Americans lay injured.

Clearly there was some culpability on both sides in this issue including the illegal entry by Galvin. However, the excesses of the British security forces were far greater and once again revealed to the world that violence in Northern Ireland is an ugly, two-sided coin. All violence—civilian and official—must be ended if there is to be any honest hope of a lasting peace in Northern Ireland.

□ 1220

THE MILTON ALL STARS—THEY ALMOST MADE IT TO THE TOP

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, on a lighter note, the 1984 Little League World Series is now history. That event is held in Williamsport, PA, every year. In this particular year, in the finals, the champions emerged as the team from South Korea defeating a team from Florida in the good old U.S.A.

Today I want to pay special tribute to a team that almost made it, having won four games up the ladder to the championship, from Milton, PA, which is also in my district. I believe they exhibited the same spirit of American competitiveness and good will as was exhibited by their adult counterparts in the Olympics of 1984.

Mr. Speaker, the CONGRESSIONAL RECORD should include today the congratulations of everyone in the 17th District in Pennsylvania for the Pennsylvania State champs, the Milton All-Stars of the Little League championships.

The Milton Little League all stars include players, Ed Robenolt, Robbie Baker, Matt Swartz, Chad Chabala, Shane Longenberger, Marwin Reeves, Mike Shearer, Nathan Little, Mike McLaughlin, John Badman, Greg Stover, Jason Boyer, Barry Guffey, Stave Karchner, alternates Bear Rheppard and Eric Hoover, head coach Gene Christina, assistant coaches Roy Shrawder, Ralph Burns, and Joe Nickey, head cheerleader Pete Bergen, and Milton Little League President Mary Byers.

I thank the Speaker.

THE VA INSURANCE PROGRAM

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I would like to take this moment to comment on one of the most efficient programs conducted by the Federal Government, the Insurance Program of the Veterans' Administration.

As you know, millions of veterans of World War II kept their GI insurance in force, and the VA has managed the trust funds well. Since the 1948 and 1951 dividends were declared, these policyholders have received large annual dividends based on earnings from the reserves. I would like to make it crystal clear that only those veterans who have kept their policies in force continue to receive dividends.

The amount of dividends has grown in recent years, mainly because of the higher interest earned by prudent investments. As chairman of the House Veterans' Affairs Committee, I am very well aware of the dedication of the VA employees who are managing this program. I want them to know their efforts are appreciated by the Congress and by the veterans themselves who continue to be the beneficiaries of a well-run program.

ANY NATION WHO PAYS ITS MASTER TEACHERS LESS THAN IT PAYS ITS MASTER TRADESMEN IS IN REAL TROUBLE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, as a parent of two children who have always been in the public schools, I am always reminding people that Thomas Jefferson wrote his own tombstone because he wanted to make sure that somebody did not mess it up. He wanted to emphasize what he thought were his accomplishments. I always point out to people that he never mentioned being President.

Rather, instead, he mentioned what he had done for public education because he felt that was the cornerstone of this democracy that he had worked so hard to bring forward.

Mr. Speaker, last night ABC dealt with this cornerstone of our democracy and talked about some of the tremendous problems that we have.

One of the things they really focused on is the core problem, the problem of pay, the fact that teachers really cannot earn enough to live.

Jefferson also spoke to that when he said, "Any Nation who pays its master teachers less than it pays its master tradesmen is in real trouble."

ABC showed us that we are in real trouble.

Mr. Speaker, I hope now that we can move on and get many people together talking about how we solve this critical problem. Here we are the richest nation in the world and we will be losing another generation if we do not find ways to hold the good teachers in and to attract new ones.

Mr. Speaker, pay is the answer and all of us must sit around and figure out, with local officials, how we are going to do that and do that immediately.

LET US NOT GET CARRIED AWAY WITH REGULATORY REFORM

(Mr. ROEMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROEMER. Mr. Speaker, I agree with the attempts to eliminate regulatory excess. But let's not get carried away.

Some industries demand regulation in order to ensure competition and promote safety banks for instance.

The administration wants to deregulate banks. They are wrong.

First, the banking industry has a ridiculous double standard. We let small banks fail—some 15 in Tennessee in the last 20 months: but big banks like Continental Illinois we prop up. Double standards like this demand a little regulation.

Second, the safety and soundness of the banking system is essential to economic growth, opportunity and jobs. Some fair regulation like FDIC and audit control promotes safety.

And third, money and power are often the same thing. Banking which accumulates money ought to have its power regulated. That's called common sense, proconsumer, procompetition. That's why we put geographical and commerce limits on banks 50 years ago. No interstate banking, no insurance, no real estate, no securities. These limits were a good idea then and a better idea now.

Chairman ST GERMAIN will soon bring to the floor a new bank bill that allows growth, but reaffirms fair regulation.

Banks are not 7-11's. This administration ought to stop treating them as such.

The B-1 IS AN AWESOME AIRCRAFT

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, when I first learned last week of the tragic crash of a prototype of the new B-1 bomber, I felt grief immediately for the family of one of America's foremost test pilots, Doug Benefield, and an overwhelming sense of just how this terrible incident will be used to fuel the first of those who want to scrap the entire B-1 project—a project that Doug Benefield not only believed in, but gave his life for! Mr. Speaker, I hope, when all the facts are in—and the emotions have subsided somewhat, we can forge ahead, building upon the tremendous progress we've made with development of the B-1 and now, the just unveiled successor to the B-1, the advanced B-1B version. Mr. Speaker, every piece of technology developed and built has some flaws in its early stages of development—and this is the case with the B-1 It's an awesome aircraft. It's an impressive symbol of America's strength and it has its rightful place as a successor to the aging, but still effective B-52—long a hallmark of our global air strength.

WHERE WE ARE GOING IN AGRICULTURE AND WHERE WE HAVE BEEN

(Mr. McCURDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, during the recent break I traveled throughout the rural areas in my district. Visiting these small communities has always been one of the most pleasurable among my duties as a Congressman. However, I return to this chamber today in a somber mood.

Our farmers are hurting economically. Because they are hurting, our small, rural communities are depressed. I want to draw the attention of my colleagues to the current plight of agriculture in my district and across the country. Farming in the 1980's is vastly different than at any time before. U.S. agriculture is much more sensitive to changes in the world market. Modern farming methods have produced yields that far surpass demand at home. And for the family farmer, it is increasingly hard to make a dollar. Bankruptcies and foreclosures among family farms continue to climb and more are threatened this fall.

I plan to reserve special order time next week to discuss where we are going in agriculture and where we have been. I will focus attention on the critical decisions facing Congress when we consider the 1985 farm bill. I hope many of my colleagues in the House will join me in a constructive spirit. Agriculture is broke and it needs fixin'.

□ 1230

PERSONAL EXPLANATION

(Mrs. BURTON of California asked and was given permission to address the House for 1 minute.)

Mrs. BURTON of California. Mr. Speaker, I was inadvertently recorded as "not voting" on roll No. 363 on August 9, the Sawyer amendment to H.R. 5640, Superfund Expansion and Protection Act. I wish to announce that I intended to vote "no" on the amendment and ask unanimous consent that this correction appear in the permanent RECORD.

The SPEAKER pro tempore [Mr. KILDEE]. Is there objection to the request of the gentlewoman from California?

There was no objection.

REPUBLICANS ARE THE PARTY OF THE NEW INTOLERANCE

(Mr. COELHO asked and was given permission to address the House for 1 minute and to revise and extend this remarks.)

Mr. COELHO. Mr. Speaker, the election may still be 62 days away, but the forces of the new right and the religious right have already won their fight.

They combined forces in Dallas to turn the Republicans into the party of the new intolerance.

They have no room for moderates, and no room for those who don't happen to share their religious and moral beliefs.

However, mainstream America can take comfort in the fact that the new Republican Party is anything but the majority party in this country.

As David Broder wrote last week—quote—"People in a real majority party are confident of their identity and confident of the future. The Republicans were neither"—end quote.

As a partisan, I am looking forward to the completion of this transition on the minority side in the House. It will only mean a strengthened Democratic majority.

Indeed, in my view, Ronald Reagan is a very attractive band-aid over a very unattractive festering wound.

PARTY OF THE PEOPLE

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, I am somewhat surprised at the last comments. We saw which is the party of the people in my own district just a couple of days ago when Ronald Reagan appeared in Foundation Valley, CA, just outside my district and had 69,000 people show up. They had to turn 15,000 people away from all walks of life coming here.

Mr. Mondale and Ms. FERRARO showed up in my district at Long Beach Municipal Airport and managed to gather about 1,000 people in southern California.

Frankly, if you cannot gather more than 1,000 people in southern California by just stopping in the street and beginning to talk, you have got some real problems.

So, I am very, very pleased to hear the gentleman from California [Mr. COELHO] talk about the party of the people. We have a member of his party who spoke about the party of the people at our convention in Dallas and she referred to that party of the people as the San Francisco Democrats.

I think most of the American people understand exactly what she was talking about.

If it is a question between the San Francisco Democrats and the people of America who support Ronald Reagan, I think you can safely make your bets as to who is going to win

when we arrive at the polls in November.

ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION'S ANNUAL REPORT FOR 1983—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Public Works and Transportation.

(For message, see proceedings of the Senate of today, Wednesday, September 5, 1984.)

NATIONAL DEFENSE SHIPYARD PROTECTION ACT OF 1984

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 553 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5220) to protect the national defense shipyards of the United States, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendment recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute printed in the Congressional Record of July 24, 1984, by Representative Jones of North Carolina as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI, are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the usual 30 minutes to the gentleman from Mississippi [Mr. LOTT], pending which I yield myself such time as I may consume.

Mr. Speaker, in a moment I plan to offer an amendment to this rule, but first I would like to explain why an amendment is necessary. House Resolution 553 is a rule providing for the consideration of H.R. 5220, the Defense Shipyard Protection Act.

When the Committee on Rules considered the rule for H.R. 5220 on July 24, we were informed that the bill did not require a waiver of section 401(a) of the Budget Act, which prohibits consideration of legislation providing new contract or borrowing authority unless that authority is to be effective only to such extent or in such amounts as are provided in appropriation acts.

Subsequent to our reporting House Resolution 553, however, it was determined that the bill, as introduced, does contain a provision which authorizes new contract authority—by extension of existing contract authority—and does, in fact, violate section 401(a). Although the amendment in the nature of a substitute made in order by this rule cures the section 401(a) violation; since the violation remains in the bill, as introduced, a point of order could be made when the bill is called up for consideration, and the waiver is necessary to permit the House to consider this legislation. The amendment I am offering will provide for the waiver of section 401(a) of the Budget Act.

AMENDMENT OFFERED BY MR. MOAKLEY

Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOAKLEY: After the first sentence insert the following: "All points of order against the consideration of the bill for failure to comply with the provisions of section 401(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived.".

□ 1240

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized in support of the amendment.

Mr. MOAKLEY. Mr. Speaker, House Resolution 553 is the rule providing for the consideration of H.R. 5220 the National Defense Shipyard Protection Act of 1984. It is an open rule providing for 1 hour of general debate with the time to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries.

In lieu of the amendment recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute, printed in the CONGRESSIONAL RECORD of July 24, 1984, by Representative JONES of North Carolina, as an original bill for the purpose of amendment under the 5-minute rule. The resolution also provides one motion to recommit with or without instructions.

All points of order against the substitute for failure to comply with the provisions of clause 5, rule 21, which prohibits appropriations in a legislative bill, are waived. This waiver is necessary because certain provisions in the substitute would allow expenditure of funds upon enactment of this bill without further action on an appropriation. An example of this violation would be the provisions which authorize the Secretary of Transportation to make shipyard incentive payments in full when the construction contract is signed.

Mr. Speaker, H.R. 5220 is legislation designed to protect the national defense shipyards of the United States, and halt the continuing erosion of our shipbuilding industry. Since, the Federal Government stopped providing construction subsidies for commercial shipbuilding in 1980, there has been a steady decline of the number of ships being built in U.S. shipyards. In addition much of the U.S. fleet of liner vessels is growing old and rapidly becoming unable to compete with newer, more efficient foreign-flag fleets. This could eventually find the U.S. shipbuilding industry in a vulnerable position with foreign shipbuilders.

Mr. Speaker, H.R. 5220 would provide a Federal program that would be tied to productivity improvements and develop effective programs to sustain the U.S. shipbuilding and merchant marine industry. The bill authorizes $200 million for fiscal year 1985 for a new system of shipyard incentive payments, and the build and charter program. This program would enhance the competitiveness in the shipbuilding industry throughout the United States. In addition, H.R. 5220 would authorize $50 million for fiscal year 1985 for a vessel trade-in program. This program would allow for the purchasing of older but militarily useful vessels for the national defense reserve fleet. The funds received by the operators of these vessels would go toward construction of vessels by U.S. shipyards.

Mr. Speaker, this bill will not solve all the problems of our Nation's shipyards, but at least it will be a beginning. Presently some of our shipyards are in such poor condition that there are serious doubts about their ability to mobilize in case of a national emergency.

I urge my colleagues to vote to adopt House Resolution 553.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 553 is an open rule, providing 1 hour of general debate on the bill H.R. 5220, the National Defense Shipyard Protection Act of 1984. Following the hour of

debate, which will be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill will be read for amendment under the 5-minute rule.

Mr. Speaker, the rule makes in order as an original bill for the purpose of amendment the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD of July 24 by Representative JONES of North Carolina, the chairman of the Merchant Marine and Fisheries Committee. Ordinarily, we would have made the substitute language reported by the committee and now printed in the bill in order as an original bill. But, in this case, a further revision of that committee amendment was necessary for two reasons. First, the committee amendment included only sections 2 through 4 and did not include section 1, the enacting clause. The amendment printed in the July 24 RECORD contains sections 1 through 4.

Second, both the original bill and the committee amendment contained provisions extending the operating differential subsidies to certain vessels constructed overseas if the cost to the owner is not more than the cost of a vessel or vessels constructed by that owner in the United States after January 1, 1984. By extending operating subsidies to this new class of vessels, we are technically establishing new contract authority. Under the terms of section 401(a) of the Budget Act, no new contract authority can be provided in a bill or amendment unless it is subject to the annual appropriations process. It was not discovered until after we had reported this rule that this Budget Act violation appeared in the original bill, and we had not provided the appropriate waiver in the rule. The Rules Committee subsequently adopted an amendment to the rule on July 31, providing a section 401(a) waiver against consideration of the bill. However, I would hasten to add that the substitute made in order as an original bill under this rule is in conformity with the Budget Act, and therefore that the waiver is merely technical in nature to permit consideration of the bill.

Finally, Mr. Speaker, the rule waives clause 5 of rule 21 against the Jones substitute. Clause 5 prohibits appropriations in an authorization bill. The waiver is necessary because the various provisions of the bill which broaden the use of construction and operating subsidies are technically considered appropriations because they permit the use of existing funds for these new purposes, without having to go back through the appropriations process.

The rule does permit one motion to recommit, with or without instructions, in order to protect the right of the minority to offer instructions containing an amendment, even if the Jones substitute is adopted.

Mr. Speaker, the bill this rule makes in order is aimed at reversing the decline in this Nation's shipbuilding industry. The committee points out that in the last decade we have gone from 116 commercial ships on the order books of American shipyards over a 3-year period, to just 14 such orders on the books in the last 3 years.

H.R. 5220 would create a new support program tied to productivity improvements and competitiveness. The new program is specifically aimed at assisting shipyards that can enhance our defense requirements. It authorizes $200 million in fiscal year 1985 for a new system of shipyard incentive payments which would be paid directly to U.S. shipyards constructing qualified vessels, and for use in a revamped build-and-charter program.

The bill would also allow a U.S.-flag ship operator to receive operating differential subsidy payments for a U.S.-flag vessel built in a foreign yard, only if that operator has spent an equivalent amount of construction money in a U.S. shipyard since January 1 of 1984.

It is also my understanding that perhaps a member of the Merchant Marine and Fisheries Committee will have an amendment to delete part of the bill which does provide the operating differential subsidy when ships are built in foreign yards. But under the rule that would be in order. It can be fully debated in the debate time that is allowed, the 1 hour of general debate, and in an amendment process.

I have to say, Mr. Speaker, I have divided feelings about this particular piece of legislation. I know the intent is good. I represent an area with a lot of shipbuilding. We do not have any merchant marine shipbuilding at all, no commercial shipbuilding going on now. We are doing naval work, and that is about it. I am not sure this bill will accomplish the intended goal of getting more commercial shipbuilding in American shipyards, but we will have to debate that issue and we will see how it works out. I know the committee certainly is trying to find a way to deal with this problem not only from a commercial standpoint, but in trying to be aware of the defense needs of having an American merchant fleet.

Mr. Speaker, the bill was reported by voice vote from the Merchant Marine and Fisheries Committee, and there are no minority or dissenting views in the report. However, the administration has indicated opposition to the bill because the subsidy money provided by the bill has not been requested in the President's budget. I would urge adoption of this rule so that we can proceed to debate and amend the bill.

Mr. Speaker, I have one request for time, and I yield 3 minutes to the gentleman from Maine [Mr. MCKERNAN].

Mr. MCKERNAN. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of House Resolution 553, which would provide for consideration of this legislation to protect the national defense shipyards of the United States and for other purposes.

House Resolution 553 provides for an open rule, with 1 hour of general debate and the bill being considered for amendment under the 5-minute rule.

I believe that this resolution reflects the wishes of our committee for seeing that the compelling issues before us in this legislation will be adequately discussed by all sides. With the provision for amendments, it will be possible for any Member to offer amendments as he or she sees fit which will thus allow for a full and open debate.

Our committee has wrestled with the problems facing our Nation's shipyards, and I believe most of us on that committee feel that this legislation before us today is the best short-term approach to ensure that our shipyards and the associated maritime industries will continue to be a viable part of our industrial base. Consequently, I urge my colleagues to vote for approval of this rule so that we may proceed to the discussion of the important issues before us.

Mr. LOTT. Mr. Speaker, I have no further requests for time. Unless the gentleman from Massachusetts has additional requests, I would yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the amendment and on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MOAKLEY].

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 553 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5220.

The Chair designates the gentleman from Oklahoma [Mr. MCCURDY] as Chairman of the Committee of the Whole, and requests the gentleman from Texas [Mr. KAZEN] to assume the chair temporarily.

□ 1250

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5220) to protect the national defense shipyards of the United States, and for other purposes, with Mr. KAZEN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from North Carolina [Mr. JONES] will be recognized for 30 minutes and the gentleman from Maine [Mr. MCKERNAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today I have the distinct pleasure to bring before the House H.R. 5220, the National Defense Shipyard Protection Act of 1984.

The shipyards in the United States are in dire straits. Our shipyards lack the work needed to keep them operating at a level that will ensure that they will be there when they are needed to build vessels for a national emergency. During the last 4 years, 23 shipyards have closed with a loss of 10,000 skilled workers. In 1980, there were 69 commercial vessels of over 1,000 tons being built, today there are 2!

Our shipyards are unable to compete with foreign commercial shipyards because of the lower standards of living in those countries and the subsidies that foreign shipyards receive from their governments. For example, in South Korea, shipyard workers receive approximately $2.06 per hour in wages and benefits; this is 16 percent of what U.S. workers receive. In industries in the United States where high technology is involved, the advanced technology can sometimes offset the higher standard of living in the United States. However, to date, this has not helped our shipyards.

I don't want to imply that labor cost in the United States is the sole cause of the plight of our shipyards. We have been told that if you subtract all of the labor cost from the price of building a ship in the United States, it would still be cheaper to construct the vessel in South Korea. Therefore, even if we made drastic cuts in our cost of living and labor costs, it would still be cheaper to construct a vessel overseas under the present system due to cheaper construction and material cost.

The question before us is really rather simple: Since we cannot lower the cost of living in the United States, we must decide if we want to compete, and if so, how can we help our industries compete in the international marketplace?

So, do we want to compete? If we allow our shipyards to wither away, I foresee that—

First, in case of a national emergency we will be unable to replace vessels as they are sunk by the enemy. It took Rosie the Riveter a while to learn to make ships quickly at the beginning of World War II; we may not have that leadtime in a future conflict;

Second, associated industries like the steel industry and the hundreds of companies that make major components used in the hull and superstructure will suffer as the losses trickle down to them, causing further damage to our already suffering heavy industry; and

Third, we will end up paying more for U.S. Navy ships because there will be less competitive bidding as more shipyards go out of business.

I would like to take a moment to discuss each of these points briefly.

We currently don't have enough sealift capability to support a major overseas operation—such as a Vietnam scale conflict—without any losses to shipping, let alone against an enemy force that has the capability to sink our vessels. There were 2,753 merchant ships sunk during World War II by enemy submarines, and those losses will be small when compared to todays losses due to high technology weapons. Therefore the capability to expand and replace the 520 privately owned deep draft vessels in the U.S. fleet must be maintained for our national security. The Department of Defense realizes that these ships are vital to any effort, and that although airlift capability may prove adequate for troop transport, it is totally inadequate for logistical support. According to Admiral Moorer, former Chairman of the Joint Chiefs of Staff, over 90 percent of our supplies during the Vietnam war went by sea. Quite simply, ships are the only way to get the quantity of tanks, ammunition, and other vital supplies that our troops will need to the point of conflict.

Other major industries in the United States, such as the steel industry, supply major components to the shipyards. These related industries are facing the same problems with foreign competition that the shipyards are facing. If we allow the shipyards to decay and go out of business it is the loss of another consumer of these U.S.-built components and another nail in the coffin of these related industries. While many of you may not have shipyards in your districts, you do have industries that depend on these shipyards for their products.

In recent years the Navy has begun to make significant gains on ship cost and delivery problems. As Admiral Fowler, Chief of the Navy's Sea Systems Command, has said "It's a buyer's market, the trick is to find out how to take advantage of the situation to drive costs down." However, I believe that if we allow some of the shipyards that are currently bidding on these Navy contracts to go out of business, we will end up paying more for our Navy ships. When we are looking at over $20 billion for Navy construction, it won't take much of an increase to drive up the cost to the Federal Government for Navy ships way beyond the $200 million we propose to use for the new shipyard incentive payment program proposed in this bill. By investing an amount equal to less than 1 percent of what the Navy spends on ship construction programs, we can help ensure continued competition in Navy construction bidding.

Because of these concerns, our committee has reported out H.R. 5220, the National Defense Shipyard Protection Act of 1984. The goal of this legislation is to protect those shipyards that we will need in time of a national emergency and to promote greater efficiencies in these shipyards.

First, we are attempting to meet this goal by recognizing that our cargo liner fleet cannot compete in the world market if they are required to use U.S.-built ships whose high cost is not offset either by subsidy or some other in lieu consideration. H.R. 5220 would allow operators who receive operating subsidy to continue to receive those payments for a vessel built abroad if they construct a vessel in a U.S. shipyard that has the same capitalized cost; in effect the person may be able to construct, at current differentials, two vessels overseas for each built in the United States, and all three are eligible to receive ODS. Of course as U.S. yards become more competitive the ratio goes down, until hopefully there may come a time when U.S. operators will be economically advantaged when they purchase tonnage in U.S. shipyards. This build-foreign provision is a modified version of a long-standing administration proposal.

Second, we are attempting to meet this goal by providing for a new build and charter program in which the Secretary of Transportation may build vessels and charter them out to private industry, this is similar to the very successful mariner program of 1954;

Third, we are attempting to meet this goal by providing $50 million to the Secretary of Transportation to buy used vessels for the national defense reserve fleet and requiring a vessel owner that receives any of this money to use it to construct vessels in the United States; and

Fourth, we are attempting to meet this goal by creating a $200 million shipyard incentive payment program

that is generally modeled after the contract incentives the Navy is now using in its successful ship construction program.

The new incentive payment program has been limited in its application to those shipyards that will help our national defense in time of an emergency—those that can build at least three seagoing vessels, of at least 450 feet in length, at the same time.

One thing we are attempting to do is to promote standard designs for ships—so that instead of having each shipowner coming up with his own custom design—a shipyard will design a ship and market that standard design. This is similar to what some of the more aggressive foreign shipyards are doing. However, the design also must meet our national defense requirements.

When a shipyard comes up with a design for a vessel and it is approved by the Secretary, and a buyer is found, the design will be put out for bid among all the eligible shipyards. In order to make the construction of these vessels cheaper, foreign built components and materials may be used—except for major components of the hull and superstructure and components that the Secretary identifies are in the national interest to have built in the United States.

The shipyard submitting the lowest qualified bid will establish an incentive payment equal to 50 percent of that bid regardless of the ultimate price charged for the vessel.

A feature that is similar to the Navy's incentive program is the provision that allows a shipyard to keep 50-80 percent of the amount that they save below the base cost in the bid. If there is a cost overrun, the Secretary will pay 20 percent of the first 10 percent of the overrun, with the shipyard paying for anything above a 10 percent overrun.

We fully recognize that the programs contained in H.R. 5220 may not solve all the problems that face our ailing shipyard industry, but it is a start. We cannot afford to wait as one shipyard after another goes under. The Merchant Marine and Fisheries Committee is going to continue examining the problems that our shipyards face, but in the meantime we feel it is very important that we do something that will stabilize this industry while long term solutions are found.

Therefore, I urge my colleagues to support this legislation, not as a bailout of an industry, but as a means to help our national defense in an emergency and to save the Government money in the long term by preserving competition in the bidding of Navy contracts.

Figures supplied by the Bureau of Labor Statistics show that a post World War II high of 189,400 workers in September 1981 has declined to 156,700 workers as of May 1984. The number of workers in the "shipyard mobilization base"—as that term is used by the shipbuilders council—has declined from 132,600 workers in 27 yards in 1978 to 25 major yards today with employment of 102,500 shipyard workers.

While some claim that cuts in commercial production in the shipyards have been offset by an increase in Navy work, figures supplied by the shipbuilders council indicate that, over the past 4 years, the loss of commercial work has increased at a much larger rate than the gain in Navy work. A major shipyard, for purposes of the shipyard mobilization base, is one that is capable of building a vessel at least 475 feet in length with a beam of 68 feet.

Navy (new and repair): 1980, 99 vessels; 1984, 105 vessels.

Commercial over 1,000 DWT (new and repair): 1980, 69 vessels; 1984, 5 vessels.

The following is offered as a brief outline of the decline in the shipbuilding industry:

CHRONOLOGY

1943.—1,396,400 workers, utilizing prefabrication and mass production techniques, launched a new Liberty ship every ten hours.

1945.—General Douglas MacArthur decided that the Japanese shipbuilding industry was vital for the redevelopment of Japanese economy, and shipbuilding was targeted as an essential Japanese industry. U.S. experts were dispatched to Japan to rebuild their shipyards using the latest U.S. production techniques.

1965.—Using U.S. building techniques (ironically not adopted in the United States until the 1970's), the Japanese surpassed the United Kingdom as world leaders in commercial shipbuilding.

1970.—Congress enacted the Merchant Marine Act of 1970. This Act included a section which called for the contruction of 300 new commercial vessels over a ten-year period. Fewer than one hundred have been built in 15 years.

1980.—World shipbuilding was dominated by Japanese and Korean yards. Intense competition between foreign yards, fueled by massive government support, lowered the cost of a foreign built ship to less than one-third the cost of U.S. built ship.

1981.—The Administration called for the elimination of construction differential subsidies (CDS) and permanent authorization for U.S. carriers receiving operating differential subsidy (ODS) to construct vessels overseas which would retain operating subsidy eligibility. The Congress retained the program, but zero-budgeted the construction subsidy account and opened up a "two-year window" for foreign-built vessels which would be eligible for ODS.

1984.—Until last week when Exxon announced it will construct two Alaska trade tankers at NASSCO in San Diego, there were no oceangoing commercial vessels under construction or on order in U.S. shipyards. The five commercial vessels over 1000 DWT under construction include two incinerator ships, two ferry boats, and one hopper dredge. This portends a further drop in shipyard employment.

THE SHIPYARD MOBILIZATION BASE

Recent assessment of shipyard mobilization requirements by the Department of Defense and the Maritime Administration indicate that some 26 yards would be necessary to provide adequate major shipbuilding capacity in time of national emergency. There are other yards doing repair work and small vessel construction which are not listed below. The following chart is limited to those yards capable of constructing or reconstructing seagoing vessels of types necessary to support a major mobilization effort.

Yards which have had an increase in employment 1980-84 (all work references are for vessels over 1,000 DWT):

1. *Bath Iron Works.*—Bath, Maine, Congressman McKernan. Workers: 1980, 5,800; 1984, 7,200—7 guided missile frigates, 2 guided missiles cruisers (no commercial vessels under construction or order).

2. *General Dynamics, Electric Boat.*—Groton, Connecticut, Congressman Gejdenson. Workers: 1980, 22,135; 1984, 24,925—7 Trident and attack submarines (no commercial vessels under construction or order).

3. *Newport News Shipbuilding and Drydock.*—Norfolk, Virginia, Congressman Bateman. Workers; 1980, 22,000; 1984, 27,000—3 aircraft carriers, 7 submarines, 3,500 workers doing commercial repair (no commercial vessels under construction or order).

4. *Lockheed Shipbuilding.*—Seattle, Washington, Congressman Mike Lowry. Workers: 1980, 2,002; 1984, 2,621—3 LSD's (no commercial vessels under construction or order).

5. *Peterson Shipbuilders.*—Sturgeon Bay, Wisconsin, Congressman Roth. Workers: 1980, 846; 1984, 973—7 Navy patrol craft (no commercial vessels under construction or order).

6. *Tacoma Boat.*—Tacoma, Washington, Congressman Dicks. Workers: 1980, 1,504; 1984, 1,766—1 Coast Guard vessel, 11 TAGOS ocean surveillance ships, 2 incinerator ships.

Yards which have had a decrease in employment 1980-84:

1. *Ingalls Shipbuilding.*—Pascagoula, Mississippi, Congressman Lott. Workers: 1980, 13,500; 1984, 9,700—10 guided missile cruisers, 1 amphibious assault ship (no commercial vessels under construction or order).

2. *National Steel and Drydock* [NASSCO]—San Diego, California, Congressman Bates. Workers: 1980, 6,400; 1984, 4,700— 2 hospital ships, 3 TAKX (pre-positioned logistic ships), 3 TAKR (vehicle transport ships), 2 Exxon tankers on order.

3. *Todd San Pedro.*—Los Angeles, California, Congressman Anderson. Workers: 1980, 3,180; 1984, 2,974—4 guided missile frigates (no commercial vessels under construction or order).

4. *Todd Seattle.*—Seattle, Washington, Congressman Mike Lowry. Workers: 1980, 4,031; 1984, 2,026—3 guided missile frigates, 1 repair drydock (no commercial vessels under construction or order).

5. *General Dynamics.*—Quincy, Massachusetts, Congressman Donnelly. Workers: 1980, 3,944; 1984, 3,875— 3 TAKX military sealift ships (no commercial vessels under construction or order). Title XI application has been made for 4 container ships, but no contract has been signed.

6. *Pennsylvania Shipbuilding.*—Chester, Pennsylvania, Congressman Schulze. Workers: 1980, 4,192; 1984, 1,280—2 TAKR vehicle cargo ships (no commercial vessels under construction or order).

7. *Bethlehem Steel, Sparrows Point.*—Baltimore, Maryland, Congressman Clarence

Long. Workers: 1980, 2,636; 1984, 2,318—3 TAKX military sealift ships (no commercial vesels under construction or order).

8. *Maryland Shipbuilding and Drydock Company.*—Baltimore, Maryland, Congresswoman Mikulski. Workers: 1980, 1,414; 1984, skeleton crew—closed.

9. *Norfolk Shipbuilding.*—Norfolk, Virginia, Congressman Whitehurst. Workers: 1980, 3,211; 1984, 2,855. Navy repair work—1 ferryboat.

10. *Tampa Shipyards.*—Tampa, Florida, Congressman Gibbons. Workers: 1980, 859; 1984, 657—5 T5 Tankers (no commercial vessels under construction or order).

11. *Alabama Drydock.*—Mobile, Alabama, Congressman Jack Edwards. Workers: 1980, 1,300; 1984, 600. Navy repair work (no commercial vessels under construction or order).

12. *Avondale.*—New Orleans, Louisiana, Congresswoman Boggs. Workers: 1980, 7,534; 1984, 3,552—4 fleet oilers (TAOS), 1 dock, landing ship (no commercial vessels under construction or order).

13. *Halter Marine.*—Moss Point, Mississippi, Congressman Lott. Workers: 1980, 2,200; 1984, 368—no work.

14. *Equitable Shipyards.*—New Orleans, Louisiana, Congressman Tauzin. Workers: 1980, 1,100; 1984, 161—repair work (no commercial vessels under construction or order).

15. *Levingston Shipbuilding.*—Orange, Texas, Congressman Charley Wilson. Workers: 1980, 1,768; 1984, 0—closed.

16. *Todd Galveston.*—Galveston, Texas, Congressman Brooks. Workers: 1980, 573; 1984, 290—repair work (no commercial vessels under construction or order).

17. *Bethlehem, Beaumont.*—Beaumont, Texas, Congressman Brooks. Workers: 1980, 1,800; 1984, 1,400—2 TAKX (no commercial vessels under construction or order).

18. *American Shipbuilding.*—Loraine, Ohio, Congressman Pease. Workers: 1980, 1,050; 1984, 0—shipyard closed.

19. *Bay Shipbuilding.*—Sturgeon Bay, Wisconsin, Congressman Roth. Workers: 1980, 1,500; 1984, 300—no work.

20. *Marinette Marine.*—Marinette, Wisconsin, Congressman Roth. Workers: 1980, 900; 1984, 350—no work.

Mr. Chairman, I reserve the balance of my time.

□ 1300

The CHAIRMAN pro tempore (Mr. FOWLER). The gentleman from North Carolina [Mr. JONES] has consumed 10 minutes.

Mr. McKERNAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to rise in support of the substitute to H.R. 5220, the National Shipyard Protection Act of 1984.

This legislation is intended to provide support and assistance to the shipyards of our country. I want to commend the sponsor of H.R. 5220, the chairman of the Committee on Merchant Marine and Fisheries, and the chairman of the subcommittee, the gentleman from New York [Mr. BIAGGI], for their diligence in making sure that this issue came before the House of Representatives.

Mr. Chairman, our Nation is perilously close to a very critical condition. Without some action on the part of this Congress, I believe that we will see a decline in our Nation's shipbuilding capability to a point that will jeopardize our ability to meet national defense needs.

The number of U.S. shipyards is dwindling. I understand that 19 years have closed in this country in just the last 3 years. With the closing of shipyards comes not only a reduced capability to provide for our Nation's capability but the obvious human impact must also be considered. As a result of the closing of these yards, almost 40,000 American workers have lost their jobs.

H.R. 5220 acknowledges the fact that because shipbuilding in the United States is a national priority, there is justification for a Federal program which recognizes that the cost for such an effort should be spread across our entire Nation. As I am sure many of my colleagues know, the Federal Government in recent years has not been providing construction subsidies for building commercial vessels. This decision not to fund the construction differential subsidy program has resulted in a decline in the number of ships being built in the U.S. yards to the point that today there are virtually no new shipbuilding orders pending in U.S. yards for vessels to be operated in our foreign trade.

Bath Iron Works, which is located in my district, in fact, built the last two ships to use the construction differential subsidy.

I am not unmindful of the fact that President Reagan has instituted a major ship construction program for the U.S. Navy. In fact, the Bath Iron Works is one of a handful of shipyards which is currently building ships under this Navy program. However we cannot and we must not depend on the Navy program to provide sufficient orders to support our entire domestic shipbuilding industry. In fact, with the buildup of the Navy shipbuilding program, we have seen an increase in employment at Bath Iron Works to a high of 8,400 in 1983, but with the resulting decline in commercial shipbuilding, we have seen that work force cut by almost 1,300 people, and it is envisioned to go even lower if we are not successful in restoring commercial shipbuilding in this country.

H.R. 5220 is designed to go beyond the Navy construction program. The Committee on Merchant Marine and Fisheries has studied many alternative solutions to the problems of our maritime industry and we have held many hours of hearings and have discussed the issues with representatives of the industry and Government. In fact, I have personally met on numerous occasions with representatives of the shipbuilding industry, the liner and bulk vessel operators, the several maritime unions, and officials of the Federal Government to talk about possible solutions.

We believe that this bill represents one possible avenue of assistance to the maritime industry. We believe it is the best short-term approach to solving the problem. I also hope that we will be able to find a way to reach agreement on the defense authorization bill so that the commission of the gentleman from Florida [Mr. BENNETT] can also become law so that we can have a group of independent experts decide on what the potential is for the long-term solvency of this industry, but I am convinced that H.R. 5220 is the best short-term approach.

The bill recognizes that there is no one single solution to this complicated problem. This legislation provides several avenues of assistance to this industry. It would change existing law and allow a vessel owner to receive an operating subsidy for a vessel acquired in a foreign shipyard if the owner has also built a vessel in the United States that cost him at least as much as the one acquired abroad. This provision will benefit both shipbuilders and ship operators.

The bill would authorize and modify slightly the so-called build and charter program currently authorized under title VII of the Merchant Marine Act of 1936. Under this program, the U.S. Government can construct vessels and then charter them to operators in the private sector for commercial use. This program was last used during the 1950's to construct 35 U.S-flag vessels, known as the Mariner Fleet, to augment our aging World War II Liberty and Victory ships. The revised title VII program would only be put into use if the operating and construction programs are not providing adequate support to U.S. vessel operators for the construction of vessels in this country.

The key provision of the bill would create a new program under the 1936 Act which would establish a shipbuilding incentive program providing a Federal grant for construction of vessels in the United States. There are specific financial and penalty provisions included that are designed to foster more competitive construction in the United States. This new program would effectively replace the construction differential subsidy program which, as I mentioned earlier, is no longer being funded.

Finally, the bill would authorize an appropriation of $200 million for ship construction under both the revised title VII program and the new incentive program, together with an additional $50 million for use in the so-called vessel trade-in program currently authorized under section 510 of the 1936 act. This latter program provides a means for the Federal Government at very low cost to acquire for the National Defense Reserve Fleet vessels which have become commercially ob-

solete but have a recognized military value for use during a time of national emergency.

Mr. Chairman, this bill may not be the ultimate solution to the problem of our shipyards and the related maritime industries, but it certainly represents a step in the right direction. I am aware that there are some who may oppose certain parts of the bill; however, to those individuals I would only say that it is not time for the various interests who are concerned about the plight of our merchant marine to recognize that it is going to be necessary for all sides to be prepared to make some sacrifices. It is not possible in today's budgetary climate to get everything that one may desire.

I believe that this bill is a good bill, representing a lot of serious study and work by a large number of people. I urge my colleagues to consider seriously the dire condition of our American shipyards and to reflect on the consequences if we do not take steps now to provide assistance to this industry. I urge in the strongest way possible a vote in support of this legislation.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Maine [Mr. McKERNAN] has consumed 7 minutes.

Mr. JONES of North Carolina. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BIAGGI], the chairman of the Subcommittee on Merchant Marine.

Mr. BIAGGI. I thank the gentleman for yielding this time to me.

Mr. Chairman, the purpose of this legislation is to stem the continuing and unrelenting erosion of our commercial shipbuilding base and the dependent support industries. It is not a cure-all. It is not the long-term solution to the maintenance of a capable, commercial shipyard industrial complex. It is an interim solution until the Congress, the administration, and the affected industries can find suitable alternatives. Since the present administration has effectively phased out the construction differential subsidy program, the long-term solution to this problem seems to have evaded us.

To highlight the problem, a few statistics are in order.

About 10 years ago over a 3-year period, there were on the shipyard order books 116 commercial vessels totaling 5.3 million gross tons.

During the last 3 years there were on the shipyard order books 14 commercial vessels totaling less than a quarter of a million gross tons.

Fourteen vessels versus 116 vessels is a significant difference.

Finally, there are no new U.S. shipbuilding orders for 1984 for the construction of vessels for operation in our foreign trade.

The Committee on Merchant Marine and Fisheries, in an effort to develop an effective program to sustain our commercial shipbuilding base, has considered a number of proposals to address the problems of this industry. H.R. 5220 is one product of our efforts.

H.R. 5220 allows a vessel operator to receive an operating differential subsidy for vessels that he constructs in a foreign yard if he also constructs vessels in a U.S. shipyard that cost the operator at least as much as the foreign-built vessel. This means that under today's prices the operator could build two or three vessels in a foreign country for every vessel he builds in the United States. U.S. operators claim that this will still place them at a competitive disadvantage because their base cost for capital equipment will still be considerably higher than their foreign-flag competitors who purchase vessels at the lowest worldwide market rates from countries like Korea and Japan. Shipyards complain that this will permit foreign building to the detriment of the U.S. shipbuilding and allied industries. However, if some accommodation or compromise is not agreed to, then U.S.-flag vessel operators will not be in a position to build any vessels in the United States.

A key feature of this bill is the addition of a new title XIV to the Merchant Marine Act, 1936. This title creates a new shipbuilding incentive program under which incentive payments would be authorized to shipyards for commercial vessel construction under certain prescribed conditions. The program is so structured as to encourage efficiencies and cost savings by the shipyards in the construction of vessels. For example, one of the prescribed conditions for a shipyard to qualify in the program is that the yard must be capable of constructing simultaneously at least three large seagoing vessels. It must also be a shipyard that has been designated as one to which an incentive payment would be in the national interest. It is expected that vessel designs will be proposed by shipyards and approved by the Secretary of Transportation. In addition to eligibility criteria, the bill sets certain financial incentives, penalties, and restrictions on commerce and allows the Government to pay up to 50 percent of the cost of constructing a vessel in domestic shipyards when the construction contract is signed.

Some argue that this is another form of construction differential subsidy, a form of subsidy that the present administration does not desire to see funded. They feel that any subsidy or assistance program violates the need for strict fiscal austerity, and that these programs do little to improve the efficiency and competitiveness of U.S. shipyards. While I agree that there are certain parallels, this is the first time we will be requiring incentive provisions. This I believe is a major improvement and a reasonable compromise of divergent views. I think it is worth a try.

The legislation also makes several changes to the current build-and-charter program by liberalizing construction and operating requirements. This should provide greater flexibility and the incentive to develop a construction program similar to the successful Mariner Class Building Program of the 1950's.

For the new title XIV shipyard incentive program and the existing title VII build-and-charter program the bill authorizes the appropriation of $200 million in 1985. It also authorizes $50 million in 1985 for the existing title V vessel trade-in program.

I am confident that this legislation is worthy of enactment and deserving of your support.

□ 1310

Mr. McKERNAN. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. PRITCHARD], the ranking Republican on the Committee on Merchant Marine and Fisheries.

Mr. PRITCHARD. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to say at the outset that both the chairman of the subcommittee, the gentleman from New York [Mr. BIAGGI], and the gentleman from Maine [Mr. McKERNAN] have worked very, very hard on a problem that almost seems insurmountable.

Today we just do not have any commercial shipbuilding going on in America. We have two ships; I think that is what the chairman said, two ships. So we have shipyards that are going under, going out of business, and we are losing this base that has been so vital to America for so many years.

There is not an easy answer. This bill has its critics. Some of the unions do not like it, some of the shipyards do not like it, the administration does not like it. It is easy not to like the bill because it is complicated and it costs some money and allows some people to build some ships overseas; if they build some ships here, they get to build some ships overseas and get some subsidy.

But I want to take the approach that the committee has gone to work on this problem and has tried to come up with a solution, and as for all the critics that are all over the place, if they do not like it, I would welcome their suggestions of how we can revitalize this absolutely essential industry in America. Here we have the shipyards in America going under, and here is a committee that has come up with an answer. For those who do not like the answer, well, as I say, I invite them to come up with a better answer.

I do not think we can let the shipyards of America go under. I think we

have to have some commercial shipyards, and it is a part of the strength of this Nation. I think this will be helpful to the American flag lines that are operating, and unless we just want to chase every one of America's ship lines into third flag where they use foreign flags that are registered in Panama of Liberia or somewhere, then we are going to have to do something.

I want to commend both the subcommittee chairman, the gentleman from New York [Mr. BIAGGI] and the gentleman from Maine [Mr. MCKERNAN] and others who have worked on this bill. It may take some changes before it gets all the way through, but this is the first real effort that has been made on Capitol Hill for quite a while, and I would just urge those who are opposing it to come in and try to fashion something and become part of the solution rather than part of the problem.

America just cannot stand the prospect of losing its commercial ability, the ability to build commercial ships and have all these shipyards go under.

So, Mr. Chairman, I would hope that we can fashion something that will go through here and save our shipyards. Again I want to commend the committee for the efforts its members have made. I am going to support this bill even though I know it has some problems and we may have to make some adjustments to it.

Mr. MCKERNAN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I thank the gentleman very much, and I appreciate his yielding me the time.

Let me join with those who commend the distinguished chairman of the Committee on Merchant Marine and Fisheries, the gentleman from North Carolina [Mr. JONES] as well as the chairman of the subcommittee, the gentleman from New York [Mr. BIAGGI]. I appreciate more than I can take the time to tell them their interest and concern for America's merchant marine, including the shipbuilding component of America having a strong and viable merchant marine community.

As much as I applaud them for their concern, as is manifested in the bill, I am constrained to say, representing one of the largest shipbuilding communities in America, that I am deeply troubled by how inadequate is the relief for this critical industry. All who have preceded me have spoken of the crisis that America is going to face with its declining domestic shipbuilding capability. The little bit of relief offered by this bill is clearly too little.

We have seen in recent years, under the window of opportunity for foreign-built American vessels, most of our commercial ships being built abroad in foreign shipyards, built abroad in some instances in shipyards in countries substantially impacted by American foreign assistance programs, in shipyards benefited by nationalized steel industries where the country as an instrument of national policy has determined that they will build ships even to the extent of competing with us on the basis of offering incredibly generous financing terms for those who can be induced to build those ships in those foreign shipyards.

□ 1320

It is more than time that this Congress face up to the problems of its troubled shipbuilding industry and do something that is much more dramatic, much more necessary, much more imperative than the little sop that is offered to domestic shipbuilding by this bill. To have in this bill a provision to allow further construction of American-built ships in foreign shipyards and then to allow the operators of those ships a subsidy, an operating subsidy for that vessel which is built abroad, is offensive to me and to the people that I represent and certainly I think substantially detrimental to the shipbuilding industry of America.

The distinguished chairman, the gentleman from North Carolina, has distributed a very helpful and worthwhile contribution to the dimensions of our understanding of the problem of American shipbuilding. He has pointed out that there are but two ships under contract in American shipyards that are oceangoing vessels and those two contracts are of very, very recent origin.

I think it would be accurate to say that a month ago for the first time in the history of the Republic there was not a single commercial oceangoing shipbuilding contract extant in the United States, a horrible situation, a situation fraught with grave dangers to the national security of the United States.

How can we maintain our national security without an adequate sealift capability and how can we have that capability without an adequate domestic shipyard mobilization base which we clearly do not now have and are clearly losing more of it every month?

Mr. Speaker, it is a perilous time for the shipbuilding industry of America and I am afraid this bill with a build-foreign provision within it is just something I find myself unable to support and at the appropriate time I would offer an amendment to limit authorizing further construction of American ships in foreign shipyards and allowing them to remain eligible for operating differential subsidies from taxpayers of America.

Mr. JONES of North Carolina. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I rise in support of this legislation. The current state of commercial shipbuilding in the United States is nothing short of a major scandal. In fact, it is presently basically nonexistent. No major commercial ship is presently under construction in the United States and yet we claim to be a maritime nation.

The first commercial order in over 2 years was finally placed 2 weeks ago. As a result, the U.S. merchant marine fleet, which will be called upon to play a critical role in any future military conflict abroad has declined to extremely dangerous levels. A recent study by the Congressional Budget Office indicates that by 1988 the U.S.-flag fleet will fall 10 to 25 percent short of what would be needed to carry supplies in a war with the Soviet Union.

I must underline that point. I believe that the decline of the U.S. merchant marine today is a great threat to the national security of the United States.

In fact, the distinguished chairman of the Sea Power Subcommittee, the gentleman from Florida [Mr. BENNETT] has proposed a major study to look into this relationship between the commercial shipbuilding industry in the United States and our sealift capability. I think that study should produce results that will clearly indicate that we have a very serious sealift problem in our country.

Now, certainly free enterprise ideals would be preferable in the shipbuilding industry; but the realities of the world are such that the ability of the U.S. shipbuilding industry to compete with other nations, especially when those other nations have government support, will only occur if and when it can be reestablished as a viable alternative, and that will require continued Government assistance. That is one thing the Reagan administration apparently does not understand.

The bill before us today is a modest one, obviously, and ultimately we will have to take more dramatic steps, in my judgment, to address the problem; but its provisions include important steps in the direction of increased incentives to build and operate American. It provides an important opportunity for the Congress to acknowledge the importance of this issue both to our economic and military security.

Our shipbuilding industrial base hangs in the balance. Today we see increased conflicts between public and private shipyards for Navy overhaul work. As a result, the public yard industrial base is threatened as well. It also affects our national security.

We must face up to the fact that Navy construction and overhauls cannot support an adequate shipbuilding mobilization base in the United States. Without commercial construction many yards will close and thousands of additional jobs will be lost.

That is why I feel it is imperative that government, industry, and labor work together to restore our maritime tradition. This bill is a timely step in that direction and I strongly urge the House to approve this measure.

I want to compliment Congressman BIAGGI, Chairman JONES, and Congressman MCKERNAN for their leadership on this issue.

● Mr. SNYDER. Mr. Chairman, I rise in opposition to H.R. 5220, a bill to protect the national defense shipyards of the United States, and for other purposes.

Despite the good intentions of its cosponsors, Mr. Chairman, I find nothing in H.R. 5220 which could be described as particularly new or revolutionary, despite the language employed in its drafting. What we have before us is another iteration of the old tired construction differential subsidy program originally authorized in the Merchant Marine Act of 1936, supplemented by a few other proposals: dollar-for-dollar, open-ended build foreign authority for vessel operator who construct ships in U.S. shipyards; expanded trade opportunities for vessel charterers utilizing federally constructed ships pursuant to a build/charter program already in existence, and seldom employed, under title VII of the 1936 act; and the authorization of $50 million to support a vessel trade-in program whereby ships are purchased by the Federal Government for assignment to the National Defense Reserve Fleet. These latter provisions are in the bill in an attempt to mollify those segments of the maritime industry which do not support the subsidy program, standing alone.

Title V of the Merchant Marine Act of 1936 created a construction differential subsidy [CDS] program, whereby Federal payments to vessel operators constructing or reconstructing vessels in U.S. shipyards for use in the foreign commerce of the United States were intended to offset, in part, the cheaper costs of constructing the vessels in foreign shipyards. The ceiling on those CDS payments has been 50 percent, by law, since 1976. Due to a number of economic factors affecting world shipping, it has been generally agreed by all industry spokesman for the last several years that the CDS program is largely ineffective. Funds for CDS-assisted new ship construction have not been appropriated since fiscal year 1981.

The new title XIV shipyard incentive payment program which would be created by this bill is, despite the attractive use of the term "national defense," little more than the old CDS program dressed up in new clothes, complete with the same 50 percent cost sharing of new vessel construction. Moreover, the national defense requirements of the United States primarily call for the utilization of roll-on, roll-off vessels and handy-sized product tankers, two types of ships which, history has shown, are not likely to be profitably employed by U.S. operators in the U.S. foreign commerce. Yet those are the very vessel designs which would most likely be eligible for construction under this new subsidy program.

So, I ask my colleagues, "Who's kidding whom?" Is H.R. 5220 the solution to the problems confronting the U.S. merchant marine? Are those interests who presumably would benefit from enactment of this legislation—the shipyards, vessel operators, and maritime unions—actively working in support of it? I dare say the answer to both questions is a resounding "no." why then should the Congress proceed? There seems to be no point in adopting a measure which authorizes another $250 million Federal expenditure when we're all concerned about the Federal deficit and no one, save a few proponents, seems particularly excited about this legislation.

The administration is on record as opposing the bill, for many of the same reasons which I have outlined, and I urge the Members to vote "no" on final passage.●

Mr. MCKERNAN. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, an amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD of July 24, 1984, by Representative JONES of North Carolina shall be considered as an original bill for the purpose of amendment under the 5-minute rule in lieu of the amendment recommended by the Committee on Merchant Marine and Fisheries now printed in the bill, and each section shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Defense Shipyard Protection Act of 1984".

The CHAIRMAN. Are there any amendments to section 1? If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. Section 601 of title VI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1171 et seq.) is amended by adding at the end the following new subsection:

"(c) Notwithstanding the restrictions in this section relating to United States construction requirements and subject to amounts provided in appropriations laws, an operator may receive an operating differential subsidy under this title for a vessel constructed in a foreign shipyard if the capitalized cost to the owner of that vessel is not more than the capitalized cost to that owner of a vessel or vessels constructed by that owner in the United States after January 1, 1984, that are eligible for operating differential subsidy.".

Mr. JONES of North Carolina. Mr. Chairman, I ask unanimous consent that the amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The remainder of the amendment in the nature of a substitute is as follows:

SEC. 3. Title VII of the Merchant Marine Act. 1936 (46 App. U.S.C. 1191 et seq.) is amended:

(1) in section 701, strike "under the provisions of titles V and VI," and substitute "under titles V, VI, and XIV of this Act,";

(2) in section 703(b), strike "title V" and substitute "title XIV";

(3) in section 705, strike ", exclusively serving the foreign trade of the United States."; and strike the words "and essential" in the first sentence;

(4) in section 713, insert "(a)" after "713." and at the end add the following new subsection:

"(b) The Secretary shall set the amount charged for a charter of a vessel constructed with amounts under this title—

"(1) when there is foreign competition, at an annual rate that enables the charterer to operate the vessel competitively with foreign vessels; or

"(2) when there is not foreign competition, at an annual rate that is ½₅th of the cost of the vessel to the United States Government (including interest), minus a defense utility allowance determined by the Secretary.";

(5) in section 714—

(A) insert "(a)" after "714.";

(B) strike the first parenthetical phrase;

(C) strike "under title V and VI" and substitute "under titles V, VI, and XIV"; and

(D) strike the second paragraph and substitute the following:

"(b)(1) A vessel constructed under this title only may operate on a voyage—

"(A) in the foreign commerce of the United States;

"(B) in foreign to foreign commerce;

"(C) round-the-world;

"(D) from the Pacific coast of the United States to a port in Europe that includes intercoastal ports of the United States; or

"(E) from the Atlantic coast of the United States to a port in the Orient that includes intercoastal ports of the United States.

"(2) If the charter vessel is operated in the domestic commerce on any voyage allowed under paragraph (1) of this subsection, the charterer shall pay annually to the Secretary, interest and ½₅ of the difference between the domestic and foreign cost of that vessel, multiplied by the proportion that the gross revenue derived from the domestic voyage bears to the gross revenue derived from the voyages completed during the previous year.

"(c) If a vessel constructed under this title is sold, the price must be competitive with the price of comparable foreign-built vessels"; and

(6) by repealing section 716

SEC. 4. The Merchant Marine Act, 1936, (46 App. U.S.C. 1101 et seq.) is amended by adding at the end the following new title:

"TITLE XIV

"SEC. 1401. SHIPYARD REQUREMENTS

"A shipyard is qualified to receive a shipyard inventive payment under this title if the shipyard—

"(1) is capable of constructing in the United States—

"(A) seagoing vessels of not less than 450 feet in length over all, that meet the requirements of the Secretary of Transportation; and

"(B) simutaneously, at least 3 vessels of the type for which payment application is made; and

"(2) has been designated by rule by the Secretary of Transportation, in consultation with the Secretary of the Navy, as one of the shipyards to which an incentive payment would be in the national interest in order to maintain a sufficient shipyard mobilization base.

"SEC. 1402. VESSEL DESIGN

"(a) On application of a shipyard proposing to build a vessel, the Secretary of Transportation, in consultation with the Secretary of the Navy, shall—

"(1) review the vessel design; and

"(2) publish in the Federal Register the general characteristics of the vessel and a request for other shipyards to submit, within a reasonable time, applications for building a similar vessel.

"(b) The final vessel design proposal must be submitted to the Secretary of Transportation for approval, in consultation with the Secretary of the Navy, to insure it meets the national defense requirements of the United States.

"(c) After a proposal is selected under section 1403 of this Act, changes in the vessel design made by the shipbuilder or person contracting to purchase the vessel resulting in increased costs must be submitted to the Secretary of Transportation for approval before those additional costs may be included in the incentive payment under this title.

"(d) For vessel material and components, the Secretary may not prohibit the use of foreign built components or assemblies or materials used in the components or assemblies except—

"(1) for major components of the hull and superstructure, and materials used in the construction of the hull and superstructure; or

"(2) when the Secretary determines, by rule, that the national interest requires the use of identified United States built components or assemblies and that this use will not adversely affect the competitive position of United States shipbuilders.

"SEC. 1403. CONSTRUCTION PROPOSALS

"The Secretary of Transportation—

"(1) shall require that proposals submitted under section 1402 of this Act include both the base cost of construction and profit (in dollars) for the construction of the vessel approved under section 1402(b) of this Act;

"(2) shall review the proposal by each bidding shipyard;

"(3) shall reject bids considered collusive;

"(4) may select from among the bidders the lowest qualified proposal; and

"(5) may reopen bids if construction is not contracted for within 6 months of approval.

"SEC. 1404. SHIPYARD INCENTIVE PAYMENTS

"(a) The Secretary of Transportation may pay an amount equal to 50 percent of the bid amount to a shipyard qualified to receive a shipyard incentive payment under this title for the construction of a vessel approved by the Secretary under this title. The Secretary shall pay this amount in full when the construction contract is signed.

"SEC. 1405. FINANCIAL INCENTIVES AND PENALTIES

"(a) If the final amount expended by the shipyard is less than the base cost provided in the approved bid—

"(1) the shipyard may retain 50 percent of the difference between those amounts;

"(2)(A) the person, if any, contracting to purchase the vessel, shall receive 30 percent of that difference; or

"(B) if there is not a person contracting to purchase the vessel, the shipyard shall receive an additional 30 percent of the difference; and

"(3) the Secretary of Transportation shall receive 20 percent of that difference, which shall be credited to the defense shipyard account.

"(b) The Secretary shall pay 20 percent of the first 10 percent of the final amount expended by the shipyard that is more than the base cost in the approved bid.

"(c) If the final amount expended by the shipyard is more than 10 percent above the base cost provided in the approved bid, the shipyard is responsible for the amount above the 10 percent increase.

"SEC. 1406. RESTRICTIONS ON COMMERCE

"(a) A vessel constructed in a shipyard with the aid of a shipyard incentive payment under this title only may operate on a voyage—

"(1) in the foreign commerce of the United States;

"(2) in foreign to foreign commerce;

"(3) round-the-world;

"(4) from the Pacific coast of the United States to a port in Europe that includes intercoastal ports of the United States; or

"(5) from the Atlantic coast of the United States to a port in the Orient that includes intercoastal ports of the United States.

"(b) If the vessel constructed with the aid of a shipyard incentive payment under this title is operated in the domestic commerce on any voyage allowed under subsection (a) of this section, the owner shall pay annually to the Secretary, interest and 1/25 of the difference between the cost of the vessel to the owner and the cost of the vessel if an incentive payment was not made to the shipyard, under this title, multipled by the proportion that the gross revenue derived from the domestic voyage bears to the gross revenue derived from the voyages completed during the previous year.

"SEC. 1407. SHIPYARD INCENTIVE PAYMENT ACCOUNT

"The shipyard incentive payment account is an account in the Treasury of the United States used by the Secretary of Transportation for the payment for the construction of vessels under this title and title VII of this Act. The account is made up of amounts, including interest—

"(1) appropriated to the account by law;

"(2) paid to the account under section 1405(a)(3) of this Act;

"(3) paid to the Secretary under sections 506, 714(b)(2), and 1406(b) of this Act; and

"(4) received for the charter or sale of vessels under title VII of this Act.

"SEC. 1408. REGULATIONS

"The Secretary of Transportation shall prescribe regulations to implement this title not later than 180 days after the effective date of this section.".

SEC. 5. (a) In fiscal year 1985—

(1) $200,000,000 may be appropriated to the shipyard incentive payment account for the construction of vessels under titles VII and XIV of the Merchant Marine Act, 1936 (46 App. U.S.C. 1101 et seq.);

(2) $50,000,000 may be appropriated for the purchase of vessels under section 510 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1160).

(b)(1) In fiscal year 1985, a person receiving money from a trade-in, or money from the sale of a vessel traded-out, under section 510 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1160) shall—

(A) use that money to construct vessels in the United States; and

(B) contract for that construction within 3 months from the date of payment.

(2) When the vessels being acquired by the Secretary of Transportation under section 510 was constructed with the aid of a construction differential subsidy and the vessel constructed under paragraph (1)(A) of this subsection is to be operated in the domestic commerce, then the Secretary shall reduce the basis of the vessel being acquired by the amount of the subsidy (including interest).

AMENDMENT OFFERED BY MR. JONES OF NORTH CAROLINA

Mr. JONES of North Carolina. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of North Carolina: On page 15, line 6, strike "defense shipyard account." and substitute "shipyard incentive payment account.".

Mr. JONES of North Carolina. Mr. Chairman, the amendment just read is purely technical to make the act referred to in the new section 1405 the same as the act created in section 1407.

Mr. McKERNAN. Mr. Chairman, will the gentleman yield?

Mr. JONES of North Carolina. I yield to the gentleman from Maine.

Mr. McKERNAN. Mr. Chairman, the minority has reviewed this amendment. It is technical in nature, and we have no objection to it.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. JONES of North Carolina. Yes, I yield to the gentleman from Virginia.

PARLIAMENTARY INQUIRY

Mr. BATEMAN. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. BATEMAN. Mr. Chairman, I have an amendment to section 3. I would hope that action on the gentleman's amendment at this point would not preclude my opportunity to offer it.

Mr. JONES of North Carolina. No, sir. In no way; the gentleman will be protected by this side, I will state to the gentleman from Virginia [Mr. BATEMAN].

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. JONES of North Carolina. Mr. Chairman, I ask for adoption of the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered

by the gentleman from North Carolina [Mr. JONES].

The amendment was agreed to.

The CHAIRMAN pro tempore. Are there any further amendments?

□ 1330

AMENDMENT OFFERED BY MR. BATEMAN

Mr. BATEMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BATEMAN: Strike out section 2.

Redesignate subsequent sections accordingly.

Mr. BATEMAN. Mr. Chairman, the amendment that you have just heard merely deletes the provisions of section 2 of the bill which are those provisions of the bill authorizing the payment of operating differential subsidies to vessels under the circumstances set forth in the bill, constructed in foreign shipyards.

As I indicated in the course of the remarks during the general debate, this is the provision of the bill which gives me great pain and problem because it does extend an opportunity for American ship operators, owners, to build vessels to be operated as American ships, which would receive a subsidy for their operation, in a foreign shipyard, in the face of the admitted and overwhelming decline that we are facing in our domestic shipbuilding capability.

Let me say that the American shipbuilding industry, in addition to its clear significance to our national security, is not just a problem for the Nation, because of national defense considerations alone; it is not just a problem for communities such as mine which have a history and tradition of building ships, where shipbuilding is a major economic activity of the area. It is a problem for all Americans and for all Members of Congress wherever your districts may lie.

American-built ships are a large market for domestically built or manufactured steel, for engines, for all the infinite variety of items that go into building an ocean vessel.

The implications for the employment base, not just of shipbuilding communities at the water's edge, but for industry throughout America and for employment of Americans throughout this Nation is of major significance.

We are in a very drastic decline in our shipbuilding capability and the number of vessels being constructed is demonstrably not saving our domestic shipbuilding base, for if it were so we would not be losing so many of our shipyards which are disappearing from the face of the Earth.

Mr. Chairman, we cannot permit that decline to go unabated. For that reason, for this Congress to be authorizing further construction of American ships in foreign shipyards and for them to be eligible for operating subsidies is, I think, a serious mistake and one which is going to erode that action which this Congress is ultimately, in the very near future, going to be forced to take in order to assure our national security potential in American domestic shipbuilding capability as well as to protect the economy and jobs of American citizens.

It is not possible for our shipyards to compete with foreign shipyards. We cannot do so, not because we do not know how, not because we are lacking in technology; we cannot do so because other nations have made it an instrument of national policy that they shall enjoy the fruits of shipbuilding, they shall enjoy the jobs and the economic return which comes from it, to the extent that they massively subsidize their shipyards the industries that are sensitive or critical to construction of ships.

They subsidize even with the financing that they make available to the ships because of their clear determination in their national policy which says, "We shall build ships."

This Nation could do no less as a matter of our national policy. To pass this bill with this provision in it authorizing further foreign-built construction of American-operated ships is a sop that comes too late and in fact may indeed embarrass the further and major efforts that this country needs to make in order to revitalize our shipbuilding capabilities.

If there be further time, Mr. Chairman, let me point out that there is to be introduced very shortly an updated version of that legislation offered by the gentlewoman from Louisiana [Mrs. BOGGS], which would do more, by far, to revitalize American shipbuilding and the American merchant marine than this little, small modicum of assistance to American shipbuilding.

It was said in general debate that those who oppose this provision of the bill ought to offer something better. Something better is indeed coming, something I think all of us interested in the revitalization of the American merchant marine, including a domestic shipbuilding capability, can get behind and then say, indeed, and in truth, we have done something significant for America, for its shipbuilding capability, its defense, and the protection of American jobs and American industry.

Mr. JONES of North Carolina. Mr. Chairman I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, back in the State legislature some years ago occasionally amendments would be offered which were referred to as "catfish" amendments.

The story is that this gentleman caught a small catfish and he had a short knife in his right hand and he said, "Be still, little catfish, I am not going to hurt you much; I am just going to gut you."

That is exactly what this amendment does to this bill. Without section 2 there would be no bill, there would be no point in passing anything.

Mr. Chairman, I wish I could support the amendment by the gentleman from Virginia. There was a time when I and others concerned with a rational maritime program could have enthusiastically endorsed such a proposal. However, times have changed, and this amendment would heighten the dilemma in which both ship operators and shipbuilders find themselves.

When the Congress, at the urging of the administration, agreed to "zero budget" the Construction Differential Subsidy Program, it left ship operators who were part of our operating subsidized fleet with a paradox. They were required to replace their ships in U.S. shipyards but had to pay twice as much as they would, had the construction subsidy continued. Worse, they would be paying 2½ to 3 times as much as an operator who can buy on the foreign market. In response to this dilemma, the Congress allowed operators, for a limited time, to purchase vessels from foreign shipyards and retain eligibility for subsidy.

The effect of the amendment by my good friend and committee colleague, the gentleman from Virginia, would be to put operators in a position where they could not, and would not, build any ships in the United States and leave shipbuilders with no foreign commerce ships to build. Section 2 of H.R. 5220 would, without any cost to the taxpayer, guarantee that for every dollar spent by an operator for foreign built tonnage, a like dollar would be spent on ship construction in a U.S. shipyard.

As a practical matter, section 2 provides the only game in town that is free to the taxpayer if U.S. yards are going to build ships that engage in foreign commerce. I urge my colleagues to defeat the amendment of the gentleman from Virginia.

Mr. McKERNAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise reluctantly to oppose my good friend from Virginia, the gentleman from Virginia, who is one of the most conscientious and effective members of our committee. He is clearly a watchdog for the shipyards of this country and I would like to think of myself in that same category.

It has been an ongoing debate not only in Congress but within the administration, I think, as to how we ought to treat the so-called build-foreign issue.

I personally have had lengthy discussions about this issue with those

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who are involved at the shipyard in my district, the Bath Ironworks.

I have come to the conclusion which I believe those at Bath Ironworks have also come to and that is that if we leave the current law which forbids building foreign and receiving operating differential subsidies, we are not going to have any commercial vessels built in this country. You have heard everyone talk today about the fact that we have no commercial vessels being built now for the foreign trade and there are none on the horizon. There are some Jones Act vessels, but none in the foreign trade.

Well, let me try to explain why I think that is the case. When I get into these types of explanations my son usually says, "Dad, that is more than I wanted to know about the subject," but I am going to try to be brief. But it is, as someone said earlier, a complicated subject.

□ 1340

The problem that we have is that originally we had a construction differential subsidy program which offset the costs of building in America as opposed to building in foreign countries. We also have an operating differential subsidy.

Because the operating differential subsidy was so important to the commercial operators, it was worth building in America.

Today, the cost differential for building in this country is increasing at a far greater rate than the cost of operating those vessels with all the technological changes that are taking place. So we have operators that are today deciding to forego the operating differential subsidy in order to be able to save the literally 10's sometimes as much as 50 to 60 millions of dollars in the construction of vessels overseas.

What has happened because of that I think is common knowledge from the studies done by the Navy and the Maritime Administration that show that our shipyard mobilization base is lacking in time of national emergency and national crisis. Our sealift capability is also lacking. In fact, in Saturday's New York Times one of the officials at the Defense Department acknowledged that our capability for sea transport is far short of our needs in any foreseeable emergency.

If we accept this amendment in my view all we are going to be doing is driving our operators away from not only the Operating Differential Subsidy Program, but overseas. So we are going to end up with a situation where we are not going to have American vessels. We are not going to have the shipyard mobilization base, that we need.

I hope that Members will not be swayed by the superficial appeal of opposing build foreign. It is a far more complicated subject. This bill was carefully crafted in order to try to take care of the needs of the operators, as well as the needs of the shipyards.

If this program can work American shipyards will now be getting approximately one out of every three oceangoing vessels that is built by an American company. That is a far better formula than they are getting now under the current law which forbids building foreign. It means that no ships are being built and the American shipyards are getting nothing.

In return for the equivalent dollars on construction, American shipyards are also getting a new incentive program, they are getting a vessel trade-in program which should result in stimulating the Jones Act construction and they are getting a rejuvenated title VII bill in charge.

I think that that is a fair trade. I think it is in the best interest of the industry. We have to realize that if we are going to address modern day problems everyone has to be willing to give a little in order for the industry to succeed as a whole.

So, again, I reluctantly oppose the amendment and I hope that all others will do so as well.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise reluctantly to oppose my colleague, the gentleman from Virginia, in his efforts to have this amendment enacted. I would like to recognize that he is a most valuable member, most conscientious, and applies himself most assiduously to concerns of the committee and the maritime industry. We regret, indeed, that we must oppose his amendment.

I understand his reason—we know the gentleman has a major shipyard in his district—but I would also like to point out very clearly that that major shipyard is doing very well because it is getting a great deal of naval work as contrasted to many of the other shipyards in our country that are closing entirely and too frequently.

Although the bill is complex the issue is simple. If we do not permit our vessel operators to build economical and fuel-efficient vessels based on the best of competitive world shipbuilding prices, the ship operators cannot compete and will be forced to go out of business.

When you talk about the maritime industry, you do not relate to shipbuilding alone. There are many components. You have the ship operators, the sea-going element, and the shipbuilding element. Unfortunately we cannot come up with a bill that deals with all of the problems of all of the components at one time.

This is recognized by the gentleman from Virginia. Just a little bit of help, is better than what we have now. Absent this, we have nothing. We feel that it is the kind of reasonable compromise that will permit some progress. We certainly do not want the ship operators to go out of business. It would not be in our national economic interest, nor in our national defense interest.

What this amendment does is strike section 2. The gentleman from North Carolina [Mr. JONES] said in his catfish story, it is not just a little cut, it is gutting the bill. I think he summed it up most succinctly. Any other words would be redundant, but I think it is important for those who are not on the floor and who might be in their offices viewing this debate to understand fully the nature of this legislation.

No one is more concerned about the welfare of the maritime industry than the members of our committee. I do not think that anyone would disagree. When we produce a legislation we expect that our colleagues will respond to it and understand that we are trying to put the very best we can before them at this time.

A few years ago we were able to enact a 1-year, build-foreign authorization without any requirement for building domestically. There is a proposal on the Senate side that permits building foreign for an 18-month period without any domestic building requirement.

What we have done here is a very, I think, moderate approach. It is more equitable than what we previously enacted and better than the Senate proposal that I just mentioned.

Since we opened that build-foreign window for 1 year we can expect three dozen vessels to be built for U.S.-flag operation. None are to be built in America, none. This bill will permit some ships to be built in America.

To sum it up: If we do not have this legislation you will not have ships built in America. It is as simple as that.

The CHAIRMAN. The time of the gentleman from New York [Mr. BIAGGI] has expired.

(By unanimous consent, Mr. BIAGGI was allowed to proceed for 30 seconds.)

Mr. BIAGGI. Mr. Chairman, I pointed out clearly the gentleman has a parochial interest. I understand it. I think the constituents should be gratified at the gentleman's efforts. It is significant. It is thoughtful. But I think that it is inappropriate at this time, because I am sure that the gentleman's ultimate purpose and the purpose of our committee is to enact legislation that will help our shipbuilders.

The alternative is no commercial shipbuilding in the United States. It is as simple as that. I know some make reference to other proposals down the line. We do not know about them. They have not been tested. We are not familiar with them.

We are dealing with this legislation now. I am hopeful the administration will come by and join us.

□ 1350

But in the absence of that, this is what we are dealing with. I urge my colleagues to vote against the amendment.

Mr. Chairman, I rise in opposition to the amendment of the gentleman from Virginia and urge that it be defeated. I do this because I believe we must do something to assist the ailing seagoing portion of our maritime industry—an industry that should not be held hostage to the desires of the shipbuilding portion.

The situation is extraordinarily simple. If we do not permit our vessel operators to build economical and fuel-efficient vessels based on the best of competitive world shipbuilding costs, our operators cannot compete and will be forced to use foreign-flag shipping or go out of business entirely. This is not in our national defense interest. It is obviously not in our national economic interest.

We must have competitive U.S.-flag vessels to permit us to carry our highly price-sensitive farm and industrial products in international trade. The sad state of our balance of payments is proof of our need to export more of our productivity. Shipping these goods on our own modern vessels will materially assist in reducing the present imbalance.

I want to make it clear that I am not and never have been insensitive to the needs of our shipbuilders, but I see nothing to be gained for them by forcing our vessel operators out of business. Everyone—including the shipbuilders—admits that, no matter what our shipbuilding industry does, it can never be cost-competitive with foreign shipbuilders. Our standard of living and our related wage structure simply will not permit U.S. commercial vessel construction costs to be competitive with foreign shipyards—particularly those yards in Far East nations like Korea and Japan.

Section 2, which the amendment strikes, is actually a compromise. It permits foreign building, but it also requires a certain amount of domestic work for our shipyards. A few years ago, we were able to enact a 1-year build-foreign authorization without any requirement for building domestically. Now, we are trying to provide something for the shipyards, and we are being opposed. I fail to see the rationale of the opposition.

Many have requested enactment of permanent build-foreign authority, similar to that which was enacted a few years ago. They cite the recent delivery of United States Lines' 950-foot "econ" Container Ship, the *American New York*, from a Korean shipyard as proof of our ability to compete with foreign-flag shipping if U.S. operators are permitted to build vessels at competitive world costs.

Three other econ ships will be delivered soon—with an additional 8 vessels to be delivered within a year—for a total of 12. We expect approximately two dozen more vessels to be built under this earlier build-foreign authority. We need this new build-foreign authority to continue our efforts to replace old, obsolete, and uneconomical U.S.-flag tonnage.

My shipbuilding friends won't like what I have to say, but the real question is: "How bad off is our shipbuilding industry when compared with our ship-operating industry?" Many say:

"It's bad, but they do have all of the naval construction work."

"They do have considerable commercial vessel construction work for the military Sealift Command."

"They have recently received a number of contracts for construction and reconstruction of commercial vessels for operation in our protected Jones Act Domestic Trade."

Hopefully, the new shipbuilding incentive program and the amendments to the existing build-and-charter program that are part of this legislation will provide additional work. Therefore, I believe it is proper to provide the vessel operator some relief so he can stay in business on a competitive basis. The alternative is no American merchant marine—or, at best, a very minuscule U.S.-flag foreign trade fleet.

I realize that the sponsor of this amendment has a major shipyard in his district that has always opposed similar legislation. It is ironic that this yard is very healthy due to its total reliance on naval work with little or no reliance on commercial work for many years. It is obvious that this yard is objecting to something that cannot adversely impact upon its present or future earnings. As a matter of fact, I am not aware of any major or serious effort of the shipbuilders or shipbuilding organizations to support any action that might prevent enactment of this legislation.

In summation, section 2 is part of a total package in an attempt to assist our shipyards as well as our ship operators. It is a package that has been developed in the spirit of compromise. Therefore, the amendment to delete section 2 should be defeated. I urge your assistance in seeing to the defeat of this amendment.

Mr. GEKAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the item that troubles me here is that I am tempted, as I stand here at the last minute on the debate on this amendment, to support the amendment as offered by the gentleman from Virginia because the first emotion that I felt as I was learning about the sense of the amendment was that this would stimulate domestic construction of ships or that at least that was the intent and purpose of the amendment. But now I hear just the opposite. The gentleman from New York seems to indicate that the adoption of this would stultify domestic building, and this point is very confusing to me, who is eager to cast the right vote on this particular amendment.

I would yield, just for a moment, to the gentleman from New York to explain to me how rejection of this amendment would stimulate domestic construction.

Mr. BIAGGI. I thank the gentlemen for yielding.

It is just a question of pure economics. Look at the past. We have not had American Vessels built simply because we cannot build them and be competitive.

You can build a comparable vessel overseas for one-third the price that you can build one here in the United States. Hence, a ship operator cannot have one built here and be competitive. That is why you have not had commercial shipbuilding in America. There has been a reduction—ever since we eliminated the construction differential subsidy. Even that has not proven to be effective because shipbuilding costs has expanded. Even the 50-percent construction differential subsidy is not sufficient to accommodate the increased gap, the difference in price, of building abroad and building here.

What we are trying to do here is to enlarge on what we did a couple of years ago by permitting foreign building with some domestic building. Three years ago we did not compel domestic building, so there was not any. What we will do now is permit foreign building but dollar for dollar would have to be matched here for domestic construction.

Mr. GEKAS. But if I may regain my time, just to understand something more clearly, if we reject this amendment and just follow the language of the bill, we are guaranteeing completion of construction in foreign shipbuilders' yards. Is that correct? We are guaranteeing it, practically?

Mr. BIAGGI. What you are guaranteeing is that we will have ships built. For every dollar spent overseas, they must spend an equivalent dollar here. Does the gentleman understand?

Mr. GEKAS. Yes, I understand.

Mr. BIAGGI. There will be shipbuilding here. We do not have it now, and we will not have it if this amendment is adopted.

Mr. BATEMAN. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Virginia.

Mr. BATEMAN. Mr. Chairman, I certainly do not want anything I have

said or any amendment that I offer to be misleading to the gentleman from Pennsylvania or to any other Member of the House. I cannot state a case that this provision of the bill does not offer some remote hope that there might be an additional ship built in American shipyards. I offer this amendment because in principle to authorize the payment of subsidies for a ship built in a foreign shipyard is offensive to me. I offer it symbolically of that premise as to what I think is sound public policy and, hopefully, in order to help make a case for the Members of this House, that admittedly even by the proponents of this bill it does incredibly little in terms of the desperate condition of American shipbuilding, and to disabuse any Member of the House of the notion that you have significantly impacted, certainly have not solved, the crisis in American shipbuilding.

Mr. GEKAS. I thank the gentleman.

Mr. McKERNAN. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Maine.

Mr. McKERNAN. Mr. Chairman, I just want to clarify something the gentleman from Virginia [Mr. BATEMAN] said, which I think we ought to all keep in mind, and that is that the gentleman is absolutely right. He has taken the purist view, and those of us who have some sympathy with that argument find ourselves in a difficult situation here today supporting this legislation.

But the point is, as the gentleman from New York [Mr. BIAGGI] said, there are no commercial ships being built in this country. This is designed to be a short-term——

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GEKAS] has expired.

(On request of Mr. McKERNAN and by unanimous consent, Mr. GEKAS was allowed to proceed for 1 additional minute.)

Mr. McKERNAN. The point is that what this legislation may do while we are having a study, hopefully, of the future of the merchant marine of this country, is to stimulate some domestic commercial shipbuilding, in addition to some foreign shipbuilding which is going to take place. But at least the quid pro quo for companies building overseas is going to be building some in this country, which is going to provide jobs in American shipyards.

Mr. GEKAS. I thank the gentleman.

Mr. Chairman, I just want to add one phrase, and that is that implicit in all this, to me, are national security interests, and the spurring of domestic building is one thing that we ought to be keeping in mind in the long-term interest of our national security.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I would like to clarify something that may be misunderstood.

There is no construction subsidy to be on foreign. There are operating subsidies, once it is built. But bear in mind that once it is build it comes under the American flag and with American crewmen. I hope that clears that up for the gentleman.

Mr. GEKAS. Yes. I thank the gentleman.●

●Mr. DONNELLY. Mr. Chairman, I strongly support the amendment offered by the gentleman from Virginia [Mr. BATEMAN] which would strike section 2 from the text of H.R. 5220, the National Defense Shipyard Protection Act. Section 2 would allow U.S. ship operators receiving Federal operating subsidy to acquire foreign-built ships without losing eligibility for continued operating subsidy. Even though the bill before the House today requires that a subsidized U.S.-flag ship operator also undertake some domestic ship construction in return for being allowed to build ships abroad, I feel permitting the foreign construction of U.S. taxpayer-subsidized ships is extremely unwise. It is counterproductive to the purposes of H.R. 5220 which seeks to revitalize commercial shipbuilding in the United States.

While I oppose section 2 of this bill, I commend the leadership of the Merchant Marine and Fisheries Committee for taking the initiative in attempting to bring relief to the hard-pressed commercial shipyards in our country. On balance, H.R. 5220 represents a worthy first step toward maintaining a national shipyard base for long-term economic and security interests. The amendment offered by the gentleman from Virginia deserves the support of the House. It seeks to insure that American shipyard jobs are protected and preserved. I urge my colleagues to join me in voting for it.●

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. BATEMAN].

The amendment was rejected.

AMENDMENT OFFERED BY MR. MC KERNAN

Mr. McKERNAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McKERNAN: Strike section 2 of the bill and substitute in lieu thereof the following:

"SEC. 2. Section 601 of title VI of the Merchant Marine Act, 1936 (46 U.S.C. 1171 et seq.) is amended by adding at the end the following new subsection:

"(c) Notwithstanding the restrictions in this section relating to United States construction requirements and subject to amounts provided in appropriations laws, an operator may receive an operating differential subsidy under this title for vessels constructed in a foreign shipyard if the capitalized cost to the owner of those vessels is not more than the capitalized cost to the owner of a vessel or vessels constructed by that owner in the United States after January 1, 1984, that are eligible for operating differential subsidy.".

Mr. McKERNAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McKERNAN. Mr. Chairman, this is in the nature of a technical amendment to clarify the language of section 2 of the bill to better reflect what has been the intent of this legislation, that intent being that owners of vessels built overseas will be able to receive operating differential subsidy funds if the cost of the foreign vessels do not exceed the cost of vessels built beginning in January of 1984 in this country.

As I was reviewing this bill this morning and looking at the language in section 2, it became apparent to me that the language at least could be interpreted to allow one American vessel to serve as the impetus for more than five, six, seven, eight, or even nine vessels in foreign shipyards. I think that was not the intent. The intent is to make sure that an equivalent amount of dollars are spent in this country as are spent overseas. My amendment I think clarifies that language. I have checked with the Chairman, and it is my understanding that he has no objection to the language.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. McKERNAN. I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I have examined the amendment, and I have no objection. It is a good amendment and it should be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. McKERNAN].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to the bill? If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker pro tempore [Mr. DE LA GARZA] having assumed the chair, Mr. McCURDY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5220) to protect the national defense shipyards of the United States, and for other purposes, pursuant to House Resolution 553, he reported the bill back to the House

with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

□ 1250

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5602, HEALTH PROFESSIONS AND SERVICES AMENDMENTS OF 1984

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 536 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 536

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5602) to amend titles VII and VIII of the Public Health Service Act to extend the programs of assistance for the training of health professions personnel, to revise and extend the National Health Service Corps program under that Act, and to revise and extend the programs of assistance under that Act for health maintenance organizations and migrant and community health centers, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of section 402(a) of the Congressional Budget Act of 1974 (Public Law 93-344) are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule by titles instead of by sections, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 536 is an open rule providing for the consideration of H.R. 5602, the health professions and services amendments of 1984. The rule provides for 1 hour of general debate to be equally divided and controlled between the chairman and ranking minority member of the Committee on Energy and Commerce. It further provides that the bill shall be read for amendment by titles instead of by sections and each title shall be considered as having been read.

The rule waives points of order against the bill for failure to comply with section 402(a) of the Budget Act. Section 402(a) provides that it shall not be in order to consider any bill which authorizes the enactment of new budget authority for a fiscal year unless that bill has been reported on, or before May 15 preceding the beginning of such fiscal year.

Mr. Speaker, H.R. 5602 authorizes the enactment of new budget authority first effective in fiscal year 1985 to carry out certain programs under the Public Health Service Act. Since the bill was not reported by May 15, 1984, it violates section 402(a) of the Budget Act and a waiver is necessary.

Finally, Mr. Speaker, the rule provides for one motion to recommit.

H.R. 5602 reauthorizes several programs under titles VII and VIII of the Public Health Service Act for the training of health services professions personnel. It also extends for 4 years, the National Health Service Corps Program and support programs for health maintenance organizations and migrant and community health centers.

The bill also directs the Secretary of Health and Human Services to study criteria and methodologies for collecting and disseminating helath care consumer information and to prepare and implement a plan for providing technical assistance in the use of the criteria and methodology.

Mr. Speaker, I urge that we adopt the rule so that we may proceed to consideration of this important legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Missouri [Mr. WHEAT] has explained the provisions of the rule. It is an open rule, and although there is some controversy over the amount of funds in the reauthorization bill, that will be settled by amendments on the floor of the House.

Mr. Speaker, I know of no opposition to the rule. Therefore, I urge adoption of the rule so that we can get down to the business of passing the bill, when it comes to floor.

I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no requests for time, I urge adoption of the rule, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid upon the table.

HOUR OF MEETING ON TOMORROW

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. LOTT. Mr. Speaker, I reserve the right to object.

Mr. Speaker, I do so just to make an inquiry as to what is planned. Ordinarily, I believe on Thursdays we would come in at 10. The gentleman is asking that we come in at 11. Is there some reason for that?

I yield to the gentleman for his response.

Mr. GEPHARDT. There is a scheduled Democratic caucus tomorrow morning I believe at 9:30 or 10 o'clock. That is the reason that we are asking that the House meet at 11 a.m.

Mr. LOTT. I wonder, is it the general rule that in the case of caucuses and/or conferences on our side of the aisle that this sort of request is honored both ways?

Mr. GEPHARDT. If the gentleman would yield again, I believe that the custom and practice has been to try and accommodate the other side and for this side to be able to have its scheduled caucuses as well, and that certainly would be our intent now and in the future.

Mr. LOTT. Further reserving the right to object, and I will not, I do think that it should be observed that we have a very brief period of time here in this remaining I guess 30 days of this session and we have a lot of legislation that is pending that we need to be working on.

Now, I acknowledge that we did not have too much scheduled this week, and we told the Members before we left that there would not be but two or three bills on the schedule in this 3-day period, but we do have a lot of work to do and we are getting off on a slow start in a very short period of time.

I might also inquire: Is this for the purpose of hearing from your party's nominee in the caucus?

Mr. GEPHARDT. It is my understanding that the primary business tomorrow is to appoint some new chairmen and make some appointments to the committees. It is also my understanding that the nominee will be present for part of that meeting, but that is not the first reason for the meeting.

Mr. LOTT. I can certainly understand that. I would like to urge my colleagues to be aware of the necessity to be cautious about the appearance or the participation by Presidents or candidates for the Presidency on the floor of the House of Representatives. I think it is important that we, on both sides of the aisle, be very careful about how we handle that.

I just would leave that for food for thought.

Mr. GEPHARDT. We always appreciate the comments from the other side. We will take it under advisement.

I would say to the gentleman that we share his view that we need to process necessary legislation in the next few weeks and we intend to get on with that.

Mr. LOTT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

REAGANOMICS IS A RESHUFFLING OF NATIONAL SPENDING PRIORITIES

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VENTO. Mr. Speaker, the facts continue to roll in outlining the unfairness of the Reagan administration's record.

The complete reshuffling of national spending priorities and the massive deficits mortgaging our future continue unabated. The Reagan administration spends a dollar and collects 80 cents in taxes and borrows a half billion dollars a day to keep the Federal Government afloat in a sea of red ink.

Compounding this poor economic policy is the unfairness of it all as outlined most recently by the respected Urban Institute. The Urban Institute study divided the U.S. population into five groups with their share of income and compares the shift of shares from 1980 to 1984 between the respective groups. The results are a disgrace and point out the gross unfairness in the shift of income share from the poor, those with less to those with more, the wealthy. Sixty percent, the bottom second and third groups of the U.S. population have lower income shares. Twenty percent, the fourth group, are static and 20 percent, the top group, the wealthy have skyrocketed income share gains. Reagonomics translated into dollars means a $25 billion shift from 80 percent of the U.S. population to the top 20-percent income group. Nearly a $2,000 annual gain per wealthy family.

Meanwhile, those living below the poverty level has dramatically risen to 11.7 percent in 1979, and today, in 1984, 15.2 percent are below the poverty level under the Reagan administration. Over 8 million more U.S. citizens are living below the poverty level today. Included is a news report on the Urban Institute study for my colleagues review.

[From the Washington Post, Aug. 16, 1984]

REPORT SAYS PRESIDENT AIDED RICH

(By Spencer Rich)

President Reagan's policies have widened the gap between rich and poor over the past four years and resulted in budget deficits that could limit future economic growth, the Urban Institute reported yesterday in an evaluation of the President's first term.

Between 1980 and 1984, the report said, the share of total family income received by the poorest one-fifth of the population fell by seven-tenths of a percentage point to 6.1 percent while the share of the richest fifth rose by 1.9 points, to 38.9 percent.

"This 1.9 percentage point increase may not at first glance seem very large, but it represents a transfer of disposable income to the top quintile from other income groups of $25 billion overall and translates into an extra $2,000 per family for this group," the report said.

It said a substantial part of the shift was the result of Reagan policies in cutting social benefits and altering the tax mix. "His policies helped the affluent but not the poor or the middle class," it said.

According to the report, "it would be a serious mistake to conclude that a revolution has taken place," despite claims by the administration and its critics that Reagan had radically altered the nation's political landscape in this and other respects.

The Urban Institute is a nonpartisan public policy research organization here. Its board chairman is Carla A. Hills, secretary of housing and urban development under President Ford. Its report on the first Reagan term was issued days before his expected renomination by the Republican National Convention that begins Monday in Dallas.

The report gave Reagan high marks for focusing the powers of the presidency to achieve his goals, dispelling a national mood of pessimism and countering the notion that the nation is too complex to govern.

It concluded that he had removed some regulatory and tax burdens from business and helped curb inflation.

He also helped shift the national agenda toward constraining government and had "greatly slowed a 50-year trend toward a larger, more intrusive federal government" and enlargement of social benefit programs, it said.

Moreover, the brake on enlargement of federal benefit programs would probably continue for a long time because huge budget deficits in Reagan's first term will "simply leave no room for new national initiatives," according to Isabel V. Sawhill, an economist who was co-director of the study with John Palmer, an economist who was assistant secretary of health and human services in the Carter administration.

While Reagan had indeed "planned a full-scale retreat" from the "march toward a welfare state," a sharp and revolutionary restructuring of government functions and programs has not taken place, partly because it was blocked by Congress, governors and unfavorable court decisions.

After four years of Reagan, the report concluded, the "safety net" of protective social programs was "still largely intact" for the nonworking poor, there had been no major, formal shift of federal programs and responsibilities to the states, no major political realignment and in environmental deregulation, "less happened, for good and for ill, than either the administration promised or the public believes."

In addition, although Reagan cut some domestic programs, increases in defense and interest outlays left federal spending in fiscal 1985 at 24.1 percent of gross national product—compared with 23.5 percent when he took office. And, while he cut federal income taxes, increases in federal payroll taxes and in state and local taxes left the average family paying 26.3 percent of its income in taxes compared with 25.9 percent in 1980.

REAL DISPOSABLE INCOME BY FIFTH OF THE POPULATION, 1980 AND 1984 [1]

Fifth of population	1980		1984	
	Average disposable income per family	Percentage share	Average disposable income per family	Percentage share
Bottom	$6,913	6.8	$6,391	6.1
Second	13,391	13.2	13,163	12.5
Third	18,857	18.5	19,034	18.1
Fourth	24,886	24.5	25,724	24.5
Top	37,618	37.0	40,880	38.9
All families	20,333	100.0	21,038	100.0

[1] All figures in 1982 dollars.

Source: Urban Institute.

Contrary to Reagan's 1980 campaign claims, the administration's overall economic policies were unlikely to speed economic growth very much, the report said.

A 5 percent addition to gross national product at the end of 10 years was the most that could be expected, assuming steps were taken to curb the deficit.

Here are the major findings.

INCOME AND POVERTY

The report said real disposable income of families had risen about 3.5 percent from 1980 to 1984, but would have risen 4 percent under a mix of policies favored by the Urban Institute.

However, the report said, from 1980 to 1984, the share of real disposable income received by the bottom fifth of the population dropped from 6.8 to 6.1 percent, the share of the next lowest fifth dropped from 13.2 to 12.5 percent but the share of the top fifth rose from 37 to 38.9 percent.

The report noted that for the aged, the actual growth of real disposable income was 9.5 percent, almost three times the 3.5 percent figure for all families.

It said the elderly weren't hurt so much by inflation because they didn't work and they benefited more than average from automatic cost-of-living increases in Social Security, lower inflation and high interest.

POVERTY AND SOCIAL POLICY

The report said the president "clearly did seek to turn back the social policy clock, in some extreme cases . . . to a pre-New Deal time."

During his first term he asked for cuts in social welfare programs that by 1985, if passed, would have reduced outlays for that year by 17.2 percent ($75 billion) below the level authorized by prior law. Congress allowed 8.8 percent in cuts, but the president succeeded in taking away many benefits from those who were "the least needy" of the poor.

Since many of the poor are raised from destitution mostly by government programs, the report continued, it appeared that while the "safety net" was still largely intact, "government programs do less now than in the past to protect people from poverty."

The fact that the proportion of the population living below the official poverty line increased from 11.7 percent in 1979 to 15 percent in 1982 (it has now risen again to 15.2 percent in 1983) was attributed "about equally" to "recession and recent cuts in social programs."

But it said that while the president has not succeeded in turning back the clock on social programs, "in fact, the long cycle of dramatic growth in the social activism of the national government that began with President Roosevelt's New Deal has ended."

It added that "President Reagan has shifted the national social policy agenda from problem-solving to budget cutting."

Moreover, with enormous budget deficits, "there is little room for the agenda to shift back" and the deficits will exert constant pressure for more retrenchment, this time, perhaps, in social insurance programs such as Social Security rather than means-tested programs that bore the brunt of his domestic spending cuts so far.

ENVIRONMENT

In the fields of energy and environment, the report concluded that the Reagan administration had short-circuited serious permanent changes in policy by naming highly controversial personalities to top jobs, such as James G. Watt as secretary of the interior and Anne M. Burford as administrator of the Environmental Protection Agency, both of whom are now gone.

Disputes involving these individuals produced "more controversy than change," and what change there was tended to be done by "administrative discretion" which was easily reversible by the next administration rather than by legislative changes that would be deep and permanent.

"When weighed against the administration's own goals . . . even the successes are few and far between. An administration espousing a free-market approach has become the custodian of the greatest agricultural land diversion program in history and has made little progress in furthering the use of economic incentives as tools of environmental policy," the report said.

FEDERALISM

The report said the president, by cutting or freezing grants to the states and localities in many programs, succeeded in halting the growth of local dependency on the federal government. Moreover, it said, many nonfederal entities raised money to make up for losses of federal money, so it appeared that "the budget cuts did not have the fundamentally disruptive effect on state and local government that some had forecast."

ECONOMIC POLICY

The president's overall economic policies, including big tax cuts, especially for business, program cuts and various devices to stimulate investment, helped to reduce inflation and improve investment, the report said. For example, the effective corporate tax rate, estimated at 33.1 percent in 1980, had been cut to 4.7 percent by the 1981 tax bill and, even after a raise voted in 1982, still was 15.8 percent.

The report concluded that the net impact of changes engineered by Reagan in tax and other incentives to business could increase output 10 years down the road by about 5 percent compared with what it would have been under past trends, assuming deficits were cut some. Alternatively, gross national product might be 3.4 percent less after 10 years than it would have been under past trends.

THE TARNISHED TOUCH OF PRIVATE GOLD MARKETERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, this administration trumpets the ability of the private sector to do everything better than Government. "We must follow the lead of private enterprise," we are told, "because it can do it faster, cheaper, smoother and more efficiently." In some areas this may well be true. But when it comes to marketing gold medallions, the private Midas touch turns to brass.

Last June the Treasury Department canceled its contract for marketing U.S. minted gold medallions with J. Aron & Co. This bailout was necessary to relieve J. Aron from having to purchase 2 million ounces of gold medallions from the Treasury to fulfill its obligations under the contract. The bailout cost the American taxpayer $700 million in lost profits had J. Aron purchased the gold.

J. Aron had been awarded this contract in 1982 to market the gold medallions to the public. When the contract was awarded, it was trumpeted as necessary in order to sell the medallions. The U.S. mint, the Treasury claimed, had failed in marketing the medallions itself, and had managed to sell only 565,000 ounces of medallions during the period it had offered the medallions for sale. J. Aron was one of the world's largest distributors of gold pieces, and with its expertise, we were told, it would be a snap for J. Aron to sell the medallions over the 2-year period of the contract.

That was the ideologues' dream—competent and efficient private enterprise would show the bumbling Government the way to sell those medallions. But the dream turned into a nightmare. Despite a $4 million advertising campaign, half of which was paid for by the Treasury, the establishment of a dealer network, and the unprecedented use of the mint's mailing list, the Government's franking privilege, and letters signed by mint officials on behalf of private firms to market the medallions, J. Aron failed.

But it did not just fail because it set its sights too high. Oh, no. It failed spectacularly to sell the medallions, selling a feeble 150,000 ounces of medallions to the public, or only 27 percent of the medallions previously sold by the mint, barely 1 ounce for each 4 sold by the mint. If the mint's program had been a failure as the ideologues claimed, then J. Aron's program was a catastrophe. It was the *Titanic* and Custer's Last Stand combined. So much for private enterprise expertise in a highly specialized area such as this.

To save J. Aron from further expense in purchasing medallions that it could not sell, and further embarrassment, the Treasury canceled the contract, relieving J. Aron of its obligations. With this administration, free enterprise means free to profit, but not to fail. If one looks for golden parachutes, this is the Treasury's corporate version, and one that let J. Aron down very lightly.

And now that J. Aron will not be marketing the medallions, who will? Why the U.S. mint, of course—the very same mint that had "failed" in marketing the coins. Starting in the next couple of months, the mint will begin selling the medallions to the public. And so the program has come full circle, a pretty pirouette performed by the administration. Mint marketing denounced and discarded, private enterprise enthroned and then saved from failure, mint marketing rediscovered and reinstated.

The lesson is clear, and one I hope the Treasury will remember. The administration should be less concerned with its ideological agenda and concentrate on the real purpose of government—serving the people in the best manner possible. When it comes to marketing U.S. coins and medals the mint has the expertise and gets the best results. For gold medallions that is the golden rule. I hope this is one lesson which the administration has learned.

STATUS OF CONSTITUTIONAL AMENDMENT ON BALANCED BUDGET AMENDMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 30 minutes.

Mr. DANNEMEYER. Mr. Speaker, I take this time for a special order this afternoon in order to bring to the attention of my colleagues a very sad development in the history of the effort of the people of this country in attempting to reign in runaway spending by the Congress of the United States.

I speak specifically to an effort that has been underway since the mid-1970's, about 1975, where State legislatures around the country have petitioned through their legislative bodies, under article V of the Federal Constitution, for the calling of a convention in order that the issue of deficit spending and what it is doing to this country in the future can be properly addressed.

As we all know, 32 States in the Union, by their legislatures, have asked Congress, pursuant to article V to call a convention on the subject of considering a balanced budget amendment to the Federal Constitution. When the number gets to 34, article V of the Federal Constitution says, requires, that a convention be called. The last State, through its legislature, to perform this act was the State of Missouri in March 1983.

Since that time, two other States, through the initiative process, have attempted to express the will of the people of those States on the issue. The State of Montana has qualified an initiative which will be on the ballot in November of this year, some 7 weeks from now, to determine whether the people of that State will make it the 33d State in the Union of the required 34.

We in California qualified an initiative earlier this year whereby we placed on the ballot through the procurement of over 600,000 signatures of citizens of California an initiative which the secretary of state titled proposition 35. We had every reason to believe that it would be on the ballot in November, some 7 weeks from now, so the people of the State of California, representing more than 10 percent of the people of America, can say whether they want to make our State of California the 33d or 34th State of the Union, depending on which order we place Montana in.

About a week ago the State supreme court in California rendered an opinion which took off of the ballot this initiative which qualified, namely, proposition 35. That court, consisting of seven members, is one of the most politicized courts in the country. It is my sad duty to say to the Members of the House that six of the appellate court justices serving on that body are appointees of that former distinguished Governor of the State of California, Jerry Brown.

The chief justice of the State supreme court, a lady by the name of Rose Bird, got to be chief justice of the State Supreme Court of California not because she was a distinguished trial court judge, because she never was; not because she was a distinguished district court of appeals judge, because she never was; not because she was a successful practitioner in the law and established a reputation as a solid lawyer and a distinguished member of the bar, because she never practiced law privately. She is sitting as the chief justice of the State supreme court in California for one reason, and one reason only: She happened to know the Governor. In the view of some, that is sufficient cause to obtain an appointment. One does not have to know much about the law.

Unfortunately, this distinguished lady does not know much about the law, and she and five of her colleagues formed a majority opinion of 6 to 1, which exhibits a very frightening tendency in America. I say frightening because what this court has said is, very simply, that the people of California will not have an opportunity of voting on probably the most important issue facing the country today; that is, Do we have the ability, through the elective process, to reign in runaway Federal spending?

This court has quashed the use of the initiative in the State of California for this purpose. It is a very disquieting thing when any appellate in the country says to the people of a State, "Citizens of that State, you may not express the sense of your State on that issue."

Mr. CRAIG. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from Idaho.

Mr. CRAIG. I thank the gentleman for yielding.

Mr. Speaker, I echo the concern that the gentleman has, not only for the decision by that court not to allow this important proposition, proposition 35, on the ballot in November, but because of the tremendous leadership also that the gentleman and others played in bringing this most important issue of a constitutional amendment to balance the Federal budget and limit taxes to the people of California.

The organization here in Congress which I head on the House side, Congressional Leaders United for a Balanced Budget, was active in that effort out in California.

□ 1420

Senator PETE WILSON, I think, on the Senate side, was also active with my colleague, the gentleman from California, in this most important effort to bring over 600,000 Californians by their signatures forward on this issue, and to have 5 other Californians say that it does not qualify for them to be allowed to express their opinions and those of other Californians on this issue in November is very disheartening. But that does not stop the issue, and the leadership of my colleague, the gentleman from California, and also that of the State of Montana, with the assistance of the CLUB organization and the effort that we now have underway in the State of Michigan, still will tell this House, I hope, that if we fail to act upon that most important amendment before we adjourn for the elections in November—and that is the constitutional amendment to balance the budget and limit taxes—these two other States will tell this House that we must act, and act responsibly, to remove that issue. But that still does not take away the action in California, that important action in denying the citizens of that State an opportunity to speak, as I am confident they would do so loudly and clearly on that issue in the November balloting.

Mr. Speaker, I thank my colleague for yielding.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague, the gentleman from Idaho [Mr. CRAIG], for his comments, and I yield to my colleague, the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I thank my colleague for yielding, and I want to commend him for taking this special order.

I would like to say two things. No. 1, I share the gentleman's concern and outrage about the supreme court's action in California. It seems to me that they went way beyond anything that makes sense in this regard, and especially when we contrast what was on the ballot just 2 years ago where the Governor was asked to write a letter to the President. Certainly if they cannot ask their own legislature to take action, I do not know how they can ask the Governor to write a letter.

Let me say another thing. It seems to me, although apparently now that will not be an issue on the ballot per se in California, there is certainly no reason why the constituents, the voters in California, cannot ask candidates for the State legislature how they will vote on such an amendment when it comes before them, as I am sure it will.

And second, of course, they can continue to ask Members of Congress and those running for that office how they feel about it and how they intend to vote.

So, Mr. Speaker, again I want to commend the gentleman for taking this time.

Mr. DANNEMEYER. Mr. Speaker, I thank my colleague, the gentleman from California [Mr. LAGOMARSINO], for his comments, and I yield to the gentleman from Minnesota [Mr. WEBER].

Mr. WEBER. Mr. Speaker, I thank the gentleman for yielding, and let me just say that I appreciate his efforts and the work he is doing on this subject.

Mr. DANNEMEYER. Mr. Speaker, I am happy to yield to my friend, the gentleman from Minnesota, and I just want to bring to my colleagues' attention the fact that even though our State supreme court in California has

rendered this opinion taking proposition 35 off the ballot, we have a writ of review pending in the U.S. Supreme Court before Justice Rehnquist, who is the Justice while the Supreme Court is out of session and who has the responsibility of supervising the Ninth Circuit Court of Appeals, and we are hopeful that Justice Rehnquist today or tomorrow may, after reviewing this matter, decide that the people in California may have the ability to vote on this issue after all. He has the matter under submission, and we hope he will see it that way.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to my friend, the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

I just walked in a few minutes ago, and I apologize for not being more aware of what is going on. But I would like to ask just a couple of questions.

First of all, do I understand the gentleman is saying now that the Supreme Court of California has disallowed putting the constitutional amendment to balance the budget on the ballot in California?

Mr. DANNEMEYER. They took off the ballot the initiative that we qualified on that issue, correct.

Mr. BURTON of Indiana. Mr. Speaker, would the gentleman restate just very briefly for my benefit the reason for doing that?

Mr. DANNEMEYER. There are two grounds for that. The first ground is that we have a provision in the State Constitution of California, article 2, section 8, which says that the people have the power of initiative and referendum, and there is another section, actually article 2, section 8, which says that the initiative can be used for offering a statute for a constitutional amendment, and the majority opinion of our State supreme court says, well, this resolution directing the legislature to adopt this as an act of the legislature cannot be a statute, it cannot be a constitutional amendment, and, therefore, you may not use the initiative for this purpose.

I think the rebuttal to that argument was given by Justice Lucas, who in his dissenting opinion—the decision was 6 to 1—said that the decision of the majority in this narrow interpretation of the use of the initiative was totally at variance with all of the precedents that have been announced by the appellate court of the State Supreme Court of California on the liberal interpretation that has been given to the use of the initiative by the people. In other words, this was a marked departure from what traditionally has been interpreted as what an initiative can be used for.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield further?

Mr. DANNEMEYER. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I have always admired the way California has handled some of these very sticky issues, in particular their tax problem out there. I remember proposition 13. The whole country looked at California with a great deal of respect because of the way they handled that problem, and they did cut property taxes because of that initiative by the people and a group of people out there who thought property taxes were too high.

It seems inconsistent to me that the Supreme Court of California would disallow the possibility of a constitutional amendment to balance the budget on this technicality. I think that the gentleman's special order is something that I hope the whole country will pay attention to because we were looking to California to be the 33d State to petition this Congress for that constitutional amendment.

Mr. DANNEMEYER. Mr. Speaker, I share my colleague's concern about what this portends for the country.

There was a second ground of that opinion of my State supreme court that really is even more disturbing than the first one. On the second ground, our State supreme court, in interpreting article V of the Federal Constitution, said the initiative may not be used for passing muster according to article V because article V talks about the legislatures of the States of the Union which shall petition Congress. The State supreme court said, well, the initiative is not the legislature, so, therefore, the initiative process can never be used to pass muster under article V.

If that opinion is permitted to stand, what that means is that there are seven States in the Union that have the initiative process and none of those seven have to date been utilized through the initiative on the issue of petitioning Congress on the subject of a constitutional amendment.

Mr. BURTON of Indiana. But when proposition 13 was passed, did not that initiative in effect force upon the legislature a decision of the people which lowered property taxes because the legislature itself would not take that action?

Mr. DANNEMEYER. Well, in response to my friend, the gentleman from Indiana, let me make this observation: Proposition 13 was a substantive property tax reform matter in and of itself. It does not direct the legislature to do something. It lowered property taxes.

Mr. BURTON of Indiana. It circumvented the legislative process because the legislature would not take that action?

Mr. DANNEMEYER. That is right.

Mr. BURTON of Indiana. And if the legislature of any State, in particular California, if the legislature of California will not take the action that the people want in the area of a balanced-budget amendment for these United States, then it seems proper to me that the people should be able to do that through this petition process.

Mr. DANNEMEYER. I appreciate the observations of my friend, the gentleman from Indiana.

Mr. Speaker, let me say also that this Justice Bird, along with Justices Mosk, Reynoso, and Grodin, are up for reaffirmation of their status and stewardship on the State supreme court in 1986, and I would think the voters of California would want to look seriously as to whether they want to continue them on that sovereign body at that time.

This thing is further disturbing because just within the past year in the State of California we had an initiative on the ballot there called the Sebastiani initiative, which sought to redraw districts of State legislators throughout the State for the assembly and State senate, and we did that because the Democratic Party controls the legislature and they had so gerrymandered the State that it made it difficult, if not impossible, for members of the opposition party, the Republican Party, to ever have a chance for election in many of those districts. In fact, the 98th Congress saw five less Republicans come to this House of Representatives from California, not because of issues but because of gerrymandering.

□ 1430

So we offered this initiative plan to redraw the districts from which State legislators come so that there would be a genuine contest between districts and this State supreme court said in effect, it took the initiative off the ballot. It said to the people of California, "You can't vote on that initiative either."

So what our State supreme court in California has done, to sum up, is very simple. They are saying in effect, "People of California, if you don't like what the State legislature does, you can remove the legislators." But the legislators have put themselves in such a lopsided district as a practical matter that it is impossible to remove them, so we have got the initiative to change the districts in which they came, so the supreme court took that initiative off the ballot.

So in effect, our supreme court said, "You can't change the legislature. You can't direct what the legislature is supposed to do. In effect, go home, be quiet, pay your taxes and don't bother us. Don't call us, we'll call you. When we decide there is something on which

you can have an initiative in California, we will let you know."

I submit that is not the right way the system should work.

A paper in my home county in California, the Santa Ana Register, wrote an editorial recently about this distinguished opinion called "Bird's 'Brains' ", in which it said:

The California Supreme Court, once again sticking its beak into places it doesn't belong, Monday told the State's voters they have no constitutional right to tell their legislators what to do.

Mr. Speaker, I ask unanimous consent to have this opinion of the Register put into the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The article is as follows:

[From the Register, Aug. 29, 1984]

BIRD'S "BRAINS"

(By H.J. Van Dyke)

The California Supreme Court, once again sticking its beak into places it doesn't belong, Monday told the state's voters they have no constitutional right to tell their legislators what to do.

The court ruled 6-1 against a ballot initiative that would have directed the Legislature to petition Congress to convene a constitutional convention in order to draft an amendment requiring a balanced federal budget. It also would have ordered the salaries of the legislators withheld until they complied.

But in the court's view of this government by the legislators, of the legislators and—especially—for the legislators, the initiative process can be used only to put laws before the voters, not to conduct what Justice Allen Broussard called "a public opinion poll."

Broussard and his majority colleagues studiously avoided justifying how the 1982 nuclear-freeze proposition avoided being a "public opinion poll," saying no one at the time had brought the issue before the court. That measure instructed the governor to convey to the president and other federal officials the voters' endorsement of a bilateral freeze on nuclear-weapon construction.

This time, however, the court saw a clear chance to assert its power over the people.

The so-called Balanced-Budget Initiative already had qualified for the ballot when the court stepped in to keep the people from being heard. Although proponents of what would have been Proposition 35 have vowed to appeal the matter to the U.S. Supreme Court, it is doubtful that will be in time for the Nov. 6 election. And once again it will be the will of the court, rather than the will of the people, that will rule in California.

Indeed, Broussard's opinion sets up the Legislature as an insulated, ruling elite, responsible to the people only through the elective process—and even then insulated by public money and legislative privilege. And, of course, somewhat dependent on the court to bail it out of trouble.

Some have called the court's decision courageous—those who always hail the latest government intrusions into people's lives. In this case, the court prevented an intrusion by the people into the legislators' lives—and yet, in our system of government, the Legislature is not intended to be insulated from the people. It is supposed to serve them, not ignore them.

The mandate for government to reduce spending, to stop—or at least reduce—the level of theft known as taxation, and to end inflationary practices is great—and growing. Yet those in government consistently ignore that mandate, all the while increasing taxes, increasing spending and increasing the national debt.

As of last week that debt stood at $1.5 trillion and was rising at the rate of nearly $200 billion per year. Thirty-two state legislatures have requested the constitutional convention, and the request is pending before five others. California is not one of them. Now, thanks to the court, it still won't be.

By ruling against the Balanced-Budget Initiative, the court also gave an indication of how it will receive Willie Brown's challenge to overturn Proposition 24, which was approved by the voters last June. Want to bet Chief Justice Rose Bird's brains on the court rule against the people in that one, too?

Mr. DANNEMEYER. Then there was the concern by Justice Kaus who was one of those who signed the majority opinion and the gentleman was thinking to the future when it may happen that some group in California may want to offer an initiative on a subject such as just for example saying as a matter of policy that no money may be spent in Central America for purposes of giving military or economic assistance to anyone in El Salvador, just as an example or speculation.

So Justice Kaus was conscious of the possibility that, well, maybe 2 years from now they will come up with that proposal and I kind of think, speaking now from the writings of Justice Kaus, that perhaps that initiative should qualify for the ballot. So Justice Kaus gave himself some wiggle room in which he could say that such an initiative would qualify for approval by that court for submission to the voters. What in effect the Justice was saying was that we will provide a subjective test whereby we, the appellate court of California, the highest in the State, will decide what the voters of California can vote upon if we agree upon the subject matter and only then, in which he said as follows:

I do not believe, however, that it is necessary to determine whether a small portion of the measure—by which the electorate purports simply to urge Congress to propose a balanced budget amendment—would, standing alone, be a proper initiative measure under the California Constitution. Although I am not ready to say that it would not be, it would surely be permitting the tail to wag the dog to find that the possible validity of this minor part of the measure justifies the submission of a largely invalid initiative to the electorate.

What those words mean is that Justice Kaus is reserving the ability, as I say, in 2 years or 4 years from now to provide a subjective test as to whether or not the subject matter of that proposed initiative can pass muster with the court so as to be voted upon by the voters of California.

When the appellate court system of our country gets to the point where justices masquerading as appellate court justices begin to get into the legislative thicket, we are at a sad day in America. If they feel so strongly as a matter of public policy that issues should not be voted on or should be voted on, I think it is appropriate for them to get off the bench and take off their robes and get into the political thicket of debate so the voters can analyze them as candidates as to whether or not we want to put them in public office.

Mr. Speaker, I ask unanimous consent at this point to put into the RECORD the opinion of the dissenting Justice Lucas, who was unfortunately in a minority on the court in upholding the ability of the initiative to be on the ballot in November, because I think there are some eloquent statements in that opinion that should be taken into account as to whether or not the people of California should have the ability to vote on this very fundamental issue of our times.

The SPEAKER pro tempore. Will the gentleman further identify the instrument and make his motion?

Mr. DANNEMEYER. Yes; it consists of 14 pages, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The dissenting opinion by Justice Lucas is as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS ET AL. S.F. 24746

DISSENTING OPINION BY LUCAS, J.

I respectfully dissent. The majority, acting both precipitously and prematurely, has once again deprived the sovereign people of their precious initiative right. (See Legislature of the State of California v. Deukmejian (1983) 34 Cal.3d 658 [blocking vote on reapportionment initiative].) In my view, the majority errs in at least three separate respects, by (1) selecting this case for preelection review, contrary to the well-settled rule favoring the initial exercise of the people's franchise, (2) misinterpreting the federal constitutional provision (U.S. Const., art. V) pertaining to the calling of a constitutional convention "on application of" the state Legislatures, and (3) strictly and narrowly construing the scope of the people's reserved initiative power under California law, contrary to the rules in dozens of prior cases.

I. Preelection review

The dissent of Justice Richardson in the foregoing reapportionment initiative case set forth the pertinent authorities which hold that, in the absence of a showing of "clear invalidity," we should not interfere with a scheduled election on an initiative measure but, instead, we should defer our review until after the people have had the opportunity to express their views. (Legislature of the State of California v. Deukmejian, supra, 34 Cal.3d at p. 681 [dis. opn.];

see Brosnahan v. Eu (1982) 31 Cal.3d 1, 4.) Even "grave doubts" regarding the validity of an initiative do not require preelection review. (Gayle v. Hamm (1972) 25 Cal.App.3d 250, 256.)

Our recent preelection review of the 1983 reapportionment initiative was "the first time in 35 years this court has removed from the ballot a qualified initiative measure, thereby preventing the people of California from voting on a subject of great importance to them . . . ." (34 Cal.3d at p. 681 [dis. opn.].) Today's decision, filed less than one year later, reflects in my view a disturbing trend of this court to reach out and prematurely decide constitutional issues which might have been rendered entirely moot by the results of the forthcoming election, and which in any event readily could be addressed after the election has been held.

What reason does the majority offer for breaching, once again, the traditional rule of judicial restraint? The majority asserts that "The present proceeding . . . challenges the power of the people to adopt the proposed initiative," supposedly a "proper ground" for preelection review. (Ante, p. — [maj. opn. at p. —].) Surely, the mere "challenge" to an initiative is not enough to trigger such expedited, accelerated review, for such a challenge could be made in every case. Instead, we must first satisfy ourselves that the initiative is clearly invalid, i.e., clearly beyond the people's power to adopt. No such showing is made here.

As I will explain, the people indeed do have the power to direct the Legislature to apply to Congress for a constitutional convention. But even were grave doubts presented regarding the initiative's validity, there are good reasons for deferring our review until after the people have expressed their views and voted upon the measure. As real parties herein point out in one of their briefs, "Participation in the electoral process and ongoing public debate on this important issue will benefit the citizenry and their elected representatives. It will allow citizens to exercise their first amendment rights to express their opinions." The majority's ruling unfortunately terminates abruptly any widespread public debate by California citizens regarding a matter so crucial to their own, and their nation's, financial well being. Might not the Legislature, the Congress and the voters each have welcomed a public airing of this important issue?

In addition, I question the propriety or necessity of the "rush of judgment" exhibited in this case, resulting from the majority's attempt to file its decision before impending election deadlines. Most of the briefing in this case was completed only a few days prior to oral argument; we filed today's opinion only a few days after hearing that argument. How can this court, already swamped with hundreds of pending cases, expect to reach a reasoned determination of the complex issues presented herein under such adverse circumstances?

Finally, several well respected amici (former Attorney General Griffin Bell, former Senator Sam Irvin, and Professor John Noonan) have raised an additional argument against preelection (or indeed any) judicial review which strikes me as quite persuasive: A court, and especially a state court, should not pass upon the essentially political question regarding the validity of an application for a constitutional convention pursuant to article V of the federal Constitution. (See Coleman v. Miller (1939) 307 U.S. 433 [plurality opn., declining review of validity of state ratification of constitutional amendment].) Instead, we should defer to Congress, the body alone entrusted by the federal Constitution with the responsibility to receive and review such applications. As I indicate in the following part of this opinion, it is quite likely that Congress would conclude that the application is constitutionally valid. What possible harm could result from our deferring to Congress regarding this *federal* question?

II. Validity under federal law—the convention clause

Article V of the federal Constitution in pertinent part provides that Congress "on the application of the Legislatures of two-thirds of the several States, shall call a convention for proposing amendments" to the Constitution. Such proposed amendments "shall be valid . . . when ratified by the Legislatures of three-fourths of the several States, or by conventions in three-fourths thereof. . ." Contrary to the majority herein, the challenged initiative measure is not in conflict with the foregoing constitutional provision. The initiative simply directs the Legislature to file the requisite application so that California may be counted as supporting the calling of a constitutional convention. Where is the "clear invalidity" under federal law in that procedure?

Thus, section one, subdivision (a), of the challenged initiative measure recites that "The People of the State of California hereby mandate that the California Legislature adopt the following resolution and submit the same to the Congress. . . ." The resolution which follows urges Congress to propose a balanced budget amendment to the federal Constitution and makes "application" to Congress for the calling of a constitutional convention to consider such an amendment. Assuming that, under California law, the initiative process may be used for this purpose (a subject I discuss in part III hereof), what basis exists for holding that the measure contravenes the federal constitutional requirements of article V? That article requires an "application" from the Legislature; the challenged measure is designed to provide such an application.

This is not a case where the voters are attempting to abrogate prior completed legislative action. (E.g., Hawke v. Smith (1920) 253 U.S. 221, 227-230; Barlotti v. Lyons (1920) 182 Cal. 575, 578-584.) In both Hawke and Barlotti, the State Legislatures had already ratified the 18th Amendment ("prohibition") by joint resolution. Nevertheless, referendum petitions were thereafter circulated for the purpose of submitting the question to the voters for their approval or rejection. Both courts quite properly held that, under article V of the federal Constitution, the term "Legislature" refers only to the official representative body or bodies of the various states, rather than to the legislative power itself, as exercised through the referendum. Accordingly, the filing of the joint legislative resolutions exhausted the ratification process. As stated in Hawke, ratification "is but the expression of the assent of the state to a proposed amendment." (P. 229.) Because article V mandated that such assent be expressed by the "Legislature," the referendum process was deemed inapplicable and incapable of abrogating the prior expression of legislative will.

In the present case, in contrast to Hawke and Barlotti, no attempt is made to "undo" any prior, completed legislative act which already had triggered a federal constitutional process such as calling a convention or ratifying a proposed amendment. Instead, here the initiative process is being used to assure that such an act finally is undertaken by our Legislature. Article V does not purport to prohibit the use of the initiative process as one means of inducing a state legislature to act. Indeed, as the foregoing cases make clear, the sole concern of article V is that the request for a convention call take the form of an application by a state legislature. As previously discussed, that concern is satisfied here.

III. Validity under California law—the initiative process

Is an initiative measure which directs the state Legislature to apply for a constitutional convention "clearly invalid" under California law? Clearly not. Before confronting that issue, however, we should first review certain fundamental principles which control our disposition. First and foremost, "All political power is inherent in the people. Government is instituted for their protection, security, and benefit, and they have the right to alter or reform it when the public good may require." (Cal. Const., art. II, § 1.) A corollary to this is that "the legislative power of this State is vested in the California Legislature . . . , but the people reserve to themselves the powers of initiative and referendum." (Id., art. IV, § 1.) Finally, "The initiative is the power of the electors to propose statutes and amendments to the Constitution and to adopt or reject them." (Id., art. II, § 8, subd. (a).)

The majority would apply a narrow construction of the scope of the initiative power under the California Constitution. In the majority's view, directing the Legislature to apply for a constitutional convention involves neither a "statute" nor an "amendment" to the state Constitution. But use of such a narrow construction of the people's initiative right is directly contrary to the teachings of prior decisions of this court which require a liberal construction favoring the exercise of the initiative power.

Justice Tobriner set forth the applicable principles as follows: "The amendment of the California Constitution in 1911 to provide for the initiative and referendum signifies one of the outstanding achievements of the progressive movement of the early 1900's. Drafted in light of the theory that all power of government ultimately resides in the people, the amendment speaks of the initiative and referendum, not as a right granted the people, but as a power reserved for them. Declaring it 'the duty of the courts to jealously guard this right of the people' (Martin v. Smith (1959) 176 Cal. App. 2d 115, 117 [1 Cal. Rptr. 307]), the courts have described the initiative and referendum as articulating 'one of the most precious rights of our democratic process' (Mervynne v. Acker [1961] 189 Cal. App. 2d 558, 563 [11 Cal. Rptr. 3401]). '[I]t has long been our judicial policy to apply a liberal construction to this power wherever it is challenged in order that the right be not improperly annulled. If doubts can reasonably be resolved in favor of the use of this reserve power, courts will preserve it.' (Mervynne v. Acker, supra, 189 Cal. App. 2d 558, 563-564; Gayle v. Hamm, supra, 25 Cal. App. 3d 250, 258.)" (Associated Home Builders etc., Inc. v. City of Livermore (1976) 18 Cal. 3d 582, 591 [135 Cal. Rptr. 41, 557 P.2d 473, 92 A.L.R. 3d 1038], fns. omitted.)

Since Associated Home Builders, we have often followed these admonitions regarding this constitutional right. (See, e.g., Brosnahan v. Brown (1982) 32 Cal. 3d 236, 241 [186 Cal. Rptr. 30, 651 P. 2d 274] [upholding the

"Victims' Bill of Rights" initiative]; Fair Political Practices Com. v. Superior Court (1979) 25 Cal. 3d 33, 41 [157 Cal. Rptr. 855, 599 P. 2d 46] [upholding, in most respects, the Political Reform Act of 1974]; Amador Valley Joint Union High Sch. Dist. v. State Bd. of Equalization (1978) 22 Cal. 3d 208, 219-220 [149 Cal. Rptr. 239, 583 P. 2d 1281] [upholding the Jarvis-Gann property tax initiative]; see also Legislature of the State of California, supra, 34 Cal. 3d 658, 683 [dis. opn.].)

Under a liberal construction of the "precious" and reserved initiative power, the people clearly would have authority to direct their own representatives in the state Legislature to apply for a constitutional convention. Such an initiative measure reasonably could be deemed a proposal for the adoption of a "statute."

There is no fixed, immutable definition of the term "statute." The term could refer to any formal, written exercise of legislative power, whether or not codified, and placed within the California codes. The Code of Civil Procedure defines "statute" as any "written law" other than a constitution. (§ 1897; see also former Cal. Const., art. IV, § 1 [initiative is the power to propose "laws"].) The people's written directive to the Legislature, mandating it to apply for a constitutional convention, certainly would qualify as a written law, i.e., a statute. Under this interpretation, we do not need to reach the further issue troubling the majority, namely, whether a legislative resolution applying for a constitutional convention is a statute. The statute involved here is the one enacted by the people, directing the Legislature to submit that application.

For example, a recent initiative measure in part required the Legislature to adopt provisions implementing the right of crime victims to monetary restitution. (Prop. 8, adopted at the June 1982 Primary Election, now art. I, § 28, subd. (b).) Is not this procedural mandate from the people to the Legislature a "written law"? If so, then in what respects does the initiative measure before us fail to qualify as proposing such a law? Would it have made any difference if our measure had recited that its text would be formally incorporated into a new section of the Government Code? Surely such formalism cannot prevail over the people's right to be heard on matters of grave importance to them. Indeed, our prior cases require us to resolve all doubts in favor of the exercise of the initiative power, especially where the subject matter of the measure is of public interest and concern. (See Santa Barbara School District v. Santa Barbara Superior Court (1975) 13 Cal.3d 315, 330 [state initiative measure declaring state policy on forced busing]; Farley v. Healey (1967) 67 Cal.2d 325, 328-329 [local initiative measure adopting policy favoring immediate ceasefire and withdrawal from Vietnam].) As stated in the Santa Barbara case, "The people of California through the initiative process, have the power to declare state policy." (P. 330.) Surely, then, they have the power to direct the Legislature, as their representatives, to declare such policy on their behalf.

We should bear in mind that, unlike the limited referendum power, the initiative is not confined by any state constitutional restrictions upon its scope or use. (See Cal. Const., art. II, §§ 8, 9; Carlson v. Cory (1983) 139 Cal.App.3d 724, 728 [repeal of state inheritance and gift taxes].) As Carlson observes, "there is nothing in our state Constitution which prohibits the use of the statutory initiative to repeal tax law." (P. 731.) Similarly, nothing in the state Constitution forbids use of the initiative to direct the Legislature to apply for a constitutional convention.

In a case upholding the validity of another statewide initiative measure (Prop. 13, adopted June 6, 1978, now Cal. Const., art. XIIIA), we acknowledged that the initiative may be viewed as a "legislative battering ram" aimed at "tear[ing] through the exasperating tangle of the traditional legislative procedure and strik[ing] directly toward the desired end.' [Citation.]" (Amador Valley Joint Union High Sch. Dist. v. State Bd. of Equalization, supra, 22 Cal.3d 208, 228.) Given the numerous rejected or abandoned bills aimed at accomplishing the end sought by the initiative measure challenged in this case, the foregoing description seems unusually apt. As in Amador Valley, "Although we express neither approval nor disapproval of the [measure] from the standpoint of sound fiscal or social policy" (p. 229), we should uphold it in recognition of the constitutional principle that "All political power is inherent in the people." (Cal. Const., art. II, § 1.) Liberally construed, the initiative power applies here.

IV. Severability

Time constraints do not permit me to explore at length the validity of those additional provisions of the challenged initiative which impose financial sanctions upon the Legislature in the event of its noncompliance, and which requires the Secretary of State to act in lieu of the Legislature should it fail to adopt the resolution within 40 days of voter approval. Suffice it to say that these provisions are entirely severable from, and do not affect the validity of, the provision directing the Legislature to apply for a constitutional convention. (See In re Blaney (1947) 30 Cal.2d 643, 655.)

Indeed, each separate section of the initiative measure is made "severable" by the terms of the measure itself, and if any section or subdivision is held invalid, "the remainder of the initiative . . . shall not be affected thereby." I see no reason why the initiative may not be given effect, at least to the extent it directs the Legislature to apply for a constitutional convention. The distinct and severable questions of proper sanctions or alternative procedures in the event of noncompliance may be decided another day.

For all the foregoing reasons, I would deny the peremptory writ of mandate.

Mr. DANNEMEYER. Mr. Speaker, I yield back the balance of my time.

CORRECTING DEMOCRATIC CAMPAIGN MISREPRESENTATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 10 minutes.

Mr. WALKER. Mr. Speaker, already during this campaign we have had a number of contentions coming from the Democrats in their national campaign which I think ought to be clarified a little bit, because some of the things that we are hearing from the Democratic leaders have very little basis in fact or are a rather serious misrepresentation of the facts.

For example, we have heard recently that American working families are worse off in the present economy because their taxes have gone up during the Reagan years.

The fact is that you can put together an analysis which does show that for working families taxes have gone up if you include Social Security taxes. Now, the American working families are certainly better off in terms of their income taxes because they have dropped as a result of the tax cuts that were passed in 1981 with the endorsement of the Reagan administration and passed by this House; but if you take a look at overall taxes, taxes have gone up when you include Social Security taxes. It is important to recognize where those additional taxes came from, because the Democratic candidate for President, Walter Mondale, is making this charge. The taxes that we are talking about, the additional Social Security taxes, most of them were passed in 1977 under a plan initiated by the Carter-Mondale administration. The huge tax increase now being paid in Social Security is the result of policies of that administration.

So now he is talking about the fact that this is an unacceptable burden for the American taxpayer. It is a very high burden. Most Republicans in 1977, I was here, we voted against it because the tax increase was too high. We asked at that time that we do something other than simply raising taxes as a way of solving the woes of Social Security.

It is also important to note that the other tax increases in Social Security came about as a result of a bipartisan plan, endorsed by the Speaker of the House as well as the administration, that added to the tax burden of Social Security as well and was voted on very overwhelmingly in the Congress. That was a plan that passed within recent months; but it is important to recognize, too, that when that plan was up here the Democrats offered an amendment, offered by the gentleman from Florida [Mr. PEPPER] to that Social Security plan which once again wanted to raise your taxes and half the Democrats in this body, 131 Democrats voted for that plan to raise taxes even further. The taxes that Mondale is now complaining about, they wanted to raise even further during the course of the deliberations of that plan and they talked about raising them under this Pepper plan; 131 Democrats voted for it, 131 Democrats voted against it.

However, we ought to also look at where the Republicans voted. One hundred and sixty-five Republicans voted against the Pepper tax increase, one Republican voted for it. Where the parties were in terms of taxes was very clear on that vote on the very taxes that Walter Mondale is now claiming are killing American working families.

We also ought to take a look, it seems to me, at the charge that we have a record number of business failures at the present time. That is a charge that was made by the Democratic Vice Presidential candidate very recently. That is in fact an accurate statement as far as it goes. What she does not point out is the reason why you have so many businesses failing is because you have so many more starting up. In any kind of economic climate about half the small businesses that start up fail. That has been a tradition.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be glad to yield to the gentleman from Minnesota.

Mr. WEBER. I think that is a very important point the gentleman is making, because you can really get involved in a log of demagoguery about what is happening in the economy, as I think frankly some of our friends on the other side of the aisle did during their convention.

When you have a period such as we are going through right now where there is a new industry being formed, of course there are a lot of companies that come into the marketplace in that industry and in this case it is high technology or information or services, that do not make it.

□ 1440

The best example of that is if you think back toward the history of the automobile industry as we may study it, you find, of course, when the automobile was first invented and began to come on line as a consumer product there were dozens and even hundreds of automobile companies around the country.

Mr. WALKER. Nearly every town in the country had their own automobile factory.

Mr. WEBER. That is exactly right. And, of course, most of those were going broke. Now, was the bankruptcy rate in the auto industry indicative of a terrible weakness in the American economy? If so, that would be quite a misreading of history because, of course, the automobile came on line during a period of America's most rapid economic growth. So people that are today looking at our economy and looking only at business failure rate without looking at the business formation rate and the economic growth rate are simply misinterpreting economic history.

Mr. WALKER. I think it is a classic example of the fact that this national campaign being run by the Democrats is a doom and gloom campaign. They only want to talk about the gloomy side of these statistics, the number of bankruptcies, the number of business failures that are up. There is no talk about the fact that the reason why those are way up is you have a record number of small businesses being created which means that you also have a record number of businesses being created that are also staying in business. That is the dramatic good news; yes, there are a lot of them that fail but there are a lot of them that stay in business and those in fact are the places where we are beginning to employ all these people who have gone on the employment rolls. The millions of people added to the employment rolls in large part have been added in those small businesses that were created out there or have been in place for some time. Small business is the generator of the jobs.

Mr. WEBER. Mr. Speaker, will the gentleman yield further?

Mr. WALKER. I yield to the gentleman.

Mr. WEBER. You know, another dimension of the positive side of that economic recovery is in the area of female-created businesses, female-headed businesses. We were talking a lot about women's issues in this campaign. The number of businesses headed by women formed in any month in the last 12 months is roughly five times greater than in any months prior to that. In other words, we are seeing roughly five times as many women going into business, forming their own businesses as at any time in American history.

Why is that? Not because of Government programs. It is because of the strength of the economic recovery that is fueling the growth in the private sector. That is probably doing more to advance the condition of women and change their role economically in this country than any Government program enacted by this Congress over the last 10, 20, or 30 years.

Mr. WALKER. The gentleman is absolutely correct.

Mr. Speaker, I would be glad to yield to my colleague from Pennsylvania.

Mr. GEKAS. I thank the gentleman for yielding, brother BOB.

I, too, am struck by some of the reluctance on the part of the Democratic ticket to give credit where credit is due. Maybe that is politics and we are supposed to understand that. But I was struck by a phrase that Walter Mondale used the other day when he said that jobs that are now being created, the fact that there is more employment now than ever before is because the people who were out of work are back at work now.

I said, "So what?" I mean, that is good news.

He is saying that the jobs that were lost during this recent recession are the ones that went back on the rolls now and that is why we have good figures. And I said, "So what." I am happy about that and he should be happy about that.

Mr. WALKER. We ought to be not only happy about that but also I point out that not only have those people gone back to work but we have added some besides because we are at record highs in terms of employment in this country. We have more people working in this country than ever before in our history. So to some extent what he is saying is fallacious, but also certainly we ought to also look at the fact that the recession that put all those people out of work did not start with the Reagan economic policies; it started with the Carter-Mondale policies.

Mr. GEKAS. Exactly the point. But even if we historically succumb to the temptation to say that the President, whoever is President, has to take both the blame and the credit, the recession did happen in its worst part during the Reagan administration.

Mr. WALKER. Sure.

Mr. GEKAS. OK. If he is to take the blame for that then he should take the credit for the recovery. And that is what the American people have before them now. The President should be given credit for the economic recovery.

Mr. WEBER. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman.

Mr. WEBER. I thank the gentleman for yielding.

Mr. Speaker, another way of looking at this economy is to look at the different manner in which foreigners observe what is happening in the United States as compared to Walter Mondale. Within the last couple of months the French Socialist leader, François Mitterand, had basically fired his whole Cabinet and put in a group of people dedicated to doing what? To copying the American experiment in tax reduction and lifting of regulations so that they can produce the economic growth that Ronald Reagan has been able to produce in this country.

Just yesterday the Canadians elected a new government. They elected a new Prime Minister. What does he say? He promises to the Canadian people that he is going to duplicate the tremendous economic success that the Canadians see south of the border in the United States of America.

Now, is it not ironic that just at the time when we see foreign heads of state pledging to copy the programs of the Reagan administration in an effort to get their economies going, that Walter Mondale, the standard bearer of the Democratic Party is saying we are going to reverse course 180 degrees and undo all those steps that have been taken by this administration to get this economy going.

Mr. WALKER. The gentleman is absolutely right. In fact, what Walter Mondale is proposing is something suspiciously like what François Mitterand tried in France when he came to

power. That has been an absolute failure. Mitterand is changing his policy; he is trying to move toward a Reaganomics kind of approach to France's problems and in this country we have people talking the kind of gloom and doom that would lead you to believe that some kind of government involvement in the economy would in fact produce the millenia.

I do not think that the experiences around the rest of the world would prove that to be true.

One other thing that I think should be mentioned in the course of this short special order is another point that was raised by the Democrats in their national campaign recently in which they criticize the section of the Republican platform. I think it is important to read that section of the platform. What we said in the platform I will leave up to another day.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

THE DEFICIT'S EFFECT ON JOBS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. MOODY] is recognized for 60 minutes.

Mr. MOODY. I thank the Speaker.

Mr. Speaker, I do not plan to take the 60 minutes but I did want to bring to the attention of my colleagues that one very significant effect of the deficit which is often overlooked, and which is hitting southeast Wisconsin very hard and I suspect other areas of the country as well, is the extreme overvaluation of the dollar caused directly by the deficit, and its effect on jobs.

The Commerce Department estimates that for every $40,000 in exports, whether it be in agricultural or in manufacturing exports, one job is created for an American worker or an American farmer. And the converse of that is that for every $40,000 of exports that are lost, one job is lost. It also implies that for every $40,000 of imports which substitute for U.S. manufacturing or U.S. agriculture there is also one job lost.

Probably the most significant current cost of the deficit which is borne right here today by our workers and our farmers, and not exported through time to future generations as is so often claimed about the deficit, is the significant current cost which flows directly from the overvalued dollar and from the titanic trade imbalance which it is causing. With the current trade deficit running at almost $130 billion a year, we are losing an estimated 4 million jobs in the United States. Four million people are out of work who would otherwise be employed were it not for the overvalued dollar, directly as a result of the monumental Federal deficit now running in the $170 billion range. These 4 million lost jobs nationally translates to about 200,000 jobs lost in Wisconsin, which incidentally is almost exactly one-fiftieth of the Nation. That 200,000 job lost estimate for Wisconsin is conservative because our economy in Wisconsin, is more than proportionately dependent upon exports. We export a lot of agricultural commodities from Wisconsin and there are a lot of jobs related to those exports in the terms of processing and translating the food. And there are a lot of machine tools processed and produced in southeast Wisconsin which are also destined for export, such as farm equipment and machinery tools. So at a minimum we are losing 200,000 jobs in Wisconsin directly as a result of the overvalued dollar which is a direct result of the deficit.

□ 1450

So the farmers and the workers of America, and the families of those farmers and workers, are not living high on the hog at the expense of the future generation which is often claimed.

The best thing you could say for the current Federal deficit is that it is stimulating the economy and shifting a number of costs to future generations. In fact, it is stimulating certain sectors of the economy at the expense of the manufacturing and agricultural sectors of the economy.

Now, what part of the economy is it stimulating? It is stimulating consumer goods industries. It is stimulating sectors of the economy which depend on imports. It is hurting capital goods industries and the sectors of the economy dependent on exports.

So this is not a neutral recovery, Mr. Speaker. It is not a recovery which is affecting all sectors of our Nation proportionately. Some sectors are bearing the cost of this recovery far more than proportionately and those are the sectors such as agriculture and manufacturing that depend on exports, and those are the sectors which depend on capital-intensive inputs for their jobs. In fact, all sectors of the economy which are interest-rate sensitive—which have financing as a high proportion of their cost—are being hurt because, despite the rhetoric coming from the White House, interest rates are not low. One of the major achievements the White House likes to boast of is the reduction in interest rates.

But the so-called real interest rate is the interest rate that counts—that is the interest rate net of inflation. Farmers know this; investors know this; first-time home buyers know this; people engaged in heavy equipment purchases know this; company heads planning to expand plant and equipment to provide jobs for workers know this. It is not the nominal interest rate that counts, it is the interest rate paid to the bank minus the current inflation rate.

Now under President Jimmy Carter we bemoaned high interest rates then prevailing, and rightly so. They were frequently in the high double digit range, 15, 16, sometimes 17 percent. Even got to 18 percent at times. But inflation was running at a deplorably high rate as well, double digit at times, 10, 11, 12 percent inflation. Well, if you subtract 10 or 12 percent inflation from a 16 or 18 percent nominal interest rate you will see that the real interest rate was in the 6 to 8 percent range.

I ask my colleagues: What is the real interest rate today? What is the key interest rate today?

The nominal interest rate is 13 to 15 percent. Some home mortgages are going for 13 or 13¾. But with inflation running at only 3.8, up to 4 percent, real interest rates, I would submit, are higher today than they were for most times under the previous administration. In fact, they are substantially higher than anywhere else in the industrialized world.

Real interest rates in America in the 9- and 10-percent range are 2 or 3 points higher than most of the rest of the world. That is precisely why the United States is a magnet for overseas capital. We are pulling in capital at a prodigious rate in order to finance the deficit.

The good news is that if we did not do this we would have an interest spike in our country which would really knock the blocks out from under the recovery. It would deal it a very severe blow.

That is still a potential downside danger because at any time that foreign money which is almost all on short-term basis—30-day or 90-day notes—could be withheld from abroad. But for the moment it is financing a large fraction of the Federal deficit. That is the good news.

The bad news is that our Nation is increasingly dependent on foreigners for our capital. In fact, if present trends continue, by 1985 we will be—for the first time since our colonial period—a debtor nation. That is, we will have borrowed more from the outside world than we have lent to it. That is a very ominous trend indeed for it implies that we will increasingly lose control over our own financial destiny.

Lending money to the rest of the world, being a net capital supplier, has been very lucrative and productive for the United States over the decades. That has paid rich dividends, interest earnings and other payments to capital of American lenders and investors.

As this borrowing/lending balance now shifts as a result of the Federal

deficit and the need to borrow capital from abroad and we are increasingly becoming a debtor nation, we will owe dividends, interest, and other payments of capital to foreigners. As that increasingly happens, it means two things: First, future increases in productivity and increases in real income expressed in goods and services that are created in the United States will more and more be siphoned off to other countries as we make good on those pay interest and principal on those capital loans from abroad.

Second, and perhaps even more ominous, is the fact that as this continues we will more and more lose control over our own fiscal and monetary policy. Let me elaborate on that for a second.

As we become a debtor nation worldwide interest rate determination, the family of interest rates, which obtain internationally, will become more and more tipped against us, and determined more and more offshore. Right now we are the leading interest-rate determining country, and provide the lead point on interest rates below which most countries find themselves.

As we lose control of that, because capital markets more and more shift overseas, interest rates will be determined more and more offshore. That means it will become harder for us to manage our own monetary policy. Interest rate determination becomes more difficult the more internationalized your economy becomes. You cannot have the Federal Reserve leaning one direction and have the rest of the nations of the world leaning the other. The Federal Reserve would have to slam on the brakes that much harder to accomplish the same adjustment of the business cycle here in the United States as those forces from overseas become stronger.

Also, our fiscal policy, concerning spending and taxing, becomes harder and harder to manage. The most rapidly exploding component of Federal spending is the cost of interest on the debt. As these interest costs explode as they are now doing, our spending will be more and more determined by the level of the interest rate given at a given moment. For example, with the Federal debt approaching $2 trillion, at a mere 10-percent interest rate, which we will be lucky to be paying, the national interest charge is $200 billion. On a $2-trillion debt, at 10-percent interest charge, on 90-day notes, the annualized cost of interest charges of carrying costs for that national debt is $200 billion.

I might parenthetically add that that adds up to about $3,000 per family. I might also parenthetically ask the question, How much freedom will Government have to adjust spending priorities for entitlements, for infrastructure, for crime control, for environmental protection, if the first $3,000 of every family's tax liability has to go simply to pay interest on a national debt?

But to return to my main point, with a $200-billion carrying charge locked in as a mandatory expenditure, we will find it harder and harder to control our fiscal policy. The spending side of our fiscal policy will be more and more the tail wagging the dog as interest charges determine more and more of the total spending pattern. It will be harder and harder to modulate Federal spending to countervail the business cycle.

So Mr. Speaker, we see a number of very serious things, despite the current rosy changes that are happening in certain regions and in certain sectors. I applaud them. Many people paid dearly to achieve the reduction in inflation which we now see which we all applaud. Thirty million people were out of work at one time or the other during the recession, but, nonetheless, that price was paid and those hard-fought gains have been accomplished, not necessarily the best way to accomplishment, but that is the way it was carried out.

□ 1500

But we are in danger of losing that rosy scenario very quickly if one of several things happens: First, if international financial markets reduce their lending to the United States, because with the deficit growing, and even the most rosy projections of the OMB and the administration show a substantial outyear deficits, with those deficits and with interest rates compounding on themselves we will find more and more that we are losing control of our own fiscal destiny, managing the business cycle will become more and more difficult, we will lose control of monetary policy to the outside world, we will lose control of fiscal policies to the outside world, and we will be more and more exposed to the danger of a credit shortage generated from abroad.

One only has to look at the pattern of international lending and borrowing affecting Third-World nations, Latin America, in particular, but not only Latin America, to know that a chain reaction in financial markets abroad could easily provoke an international credit crunch, it would be very easy to have one, unfortunately. More and more it is a house of cards, and more and more it is precarious, and if that were to suffer a serious capital shortage, we would see a very serious shortage, of contraction of credit here at home, not in the way we once would have, which would have been an effect we could handle, but a much more dramatic impact on our own credit markets triggered from an outside international credit shortage.

Finally, I would repeat what I opened my comments with, that this very happy general overall aggregate recovery is not uniform, is not homogeneous. Areas of the country where workers on agriculture, a large part, of course, of which is destined for export, and areas of the country where workers are employed in capital-intensive production, where interest rates and financing is a large part of the cost—and I speak now of items constructed for home appliances, automobiles—those workers are feeling a slight upturn but nowhere near the upturn that is proportionate with the rest of the recovery. Many of those basic industries have not returned to normal capacity, even have not returned to 70 percent of capacity, and many workers have still not been called back and some will never be called back because of the distorted pattern of this recovery, heavy on consumer goods and light on capital goods.

So that has ominous implications for our productivity in outyears, in future years. If we stress consumer goods now and deemphasize capital goods in the outyears, we will see less and less productivity as a result of that and, in the short term, we will see a very imbalanced recovery, we will see a recovery that is more and more precarious because of potential international influences, we will see a recovery which is not, unfortunately, shared equally by all of those who paid so dearly to start the road back up again.

So those are the comments I would like to share with my colleagues today, Mr. Speaker.

WILLIAM SPALDING CARRICO

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, a constituent and friend of mine, William Spalding Carrico of Fancy Farm, KY, died at Community Hospital in Mayfield, KY, on August 15, 1984, at the age of 68.

A veteran of World War II, Spalding Carrico was a retired employee of the Kentucky Department of Transportation and a member of Fancy Farm's St. Jerome Catholic Church. The husband of Mrs. Frances Cash Carrico, Spalding Carrico was a devoted husband and father. An outstanding and highly respected western Kentuckian, he was admired by the many people who knew and worked with him.

He was a good citizen—a man who loved his country, State, county, and community.

Obviously, this Member of Congress was fond of Spalding Carrico.

In addition to his wife, William Spalding Carrico is also survived by four sons—Danny Carrico of Murray, KY, Jerry Carrico, Fred Carrico, and Frank Carrico, all of Fancy Farm; four

daughters—Nancy Carrico and June Carrico, both of Fancy Farm, Mrs. Sue Hathaway of Chicago, IL, and Mrs. Mary Lynne Browning of Mayfield, KY; one brother, George Carrico of Birmingham, AL, and two sisters, Mrs. Jean Thompson of Lexington, KY, and Mrs. Pauline Ballard of Fancy Farm.

My wife Carol and I extend our sympathy to the family and friends of William Spalding Carrico.

REPUBLICANS ARE PROUD OF AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. McEWEN] is recognized for 10 minutes.

Mr. McEWEN. Mr. Speaker, in this past week, in "This Week With David Brinkley," a rather interesting exchange took place between ABC correspondent Sam Donaldson and the host of that program. I just thought I would take a moment or two to share it with you here today:

Mr. DONALDSON. David, I think it's great to be patriotic, and I have no objections to displaying the American flag and having the intense feeling of love for one's country. But I do object when a political party seeks to co-op, kidnap, if you will, the symbols of patriotism, suggesting that the other party, somehow, is un-American. Now, let me show you something.

Mr. BRINKLEY. What's that?

Mr. DONALDSON. Here's a Reagan-Bush button. They passed it out in Dallas. That's fine. It says Reagan-Bush '84. But if you turn this switch in the back, it plays the National Anthem. I don't mind the lights glaring at you. It suggests, of course, and I'm not trying to make too much of this button.

Mr. BRINKLEY. What would you have it play? Dixie?

Mr. DONALDSON. Well, it might play anything, but it suggests, as so many of these symbols that the President uses, that only the Republicans can wave the flag and are patriotic, and those Democrats, just as we suspected all of these years, are agents of the Kremlin. And I think that's wrong.

You talk about setting up a straw man and then punching him out.

Mr. BRINKLEY. Sam, the Democrats at their convention in San Francisco waved 20,000 flags.

Mr. DONALDSON. That was smart—

BARBARA WALTERS. David, if things are good, and if you feel good about the country, and if Ronald Reagan is the President, does that mean that, therefore, you feel good about the President, that we should reelect him? I mean, that is all kind of—

Mr. DONALDSON. He can get that, Barbara, without having to put on these super patriotic symbols that suggest that the other party is disloyal.

Well, Mr. Donaldson, fortunately, I am not as partisan as some people might be and if they were to observe that if Republicans waved the flag, that that is an attempt to co-op and to kidnap the symbols of patriotism and thereby suggest that the other party is un-American and that waving the flag is intimating that the Democrats are agents of the Kremlin, however, if the Democrats waved the flag at their convention, that is simply smart, now, as I say, if I were to suggest that that were somehow partisan, I am sure that the ABC counsel would come bursting forth waving the first amendment and screaming censorship and shaking the first amendment like a sheepdog stepping out of a pond, and so therefore I am not going to accuse Mr. Donaldson of letting his partisan skirts show but merely point out that if the President wishes to wave the flag and if the Republicans wish to wave the flag, that the Democrats should not feel offended, they should not feel attacked, they should not feel abused, they should not feel that they are being criticized in any manner, just very simply we are proud of our country and proud of America.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. McEWEN, for 10 minutes, today.

(The following Members (at the request of Mr. ROGERS) to revise and extend their remarks and include extraneous material:)

Mr. LOTT, for 60 minutes, September 6.

Mr. LOEFFLER, for 60 minutes, September 6.

Mr. WALKER, for 10 minutes, today.

Mr. DANNEMEYER, for 30 minutes, today.

(The following Members (at the request of Mr. WEBER) to revise and extend their remarks and include extraneous material:)

Mr. WALKER, for 60 minutes, on September 6.

Mr. GINGRICH, for 60 minutes, on September 6.

Mr. WEBER, for 60 minutes, on September 6.

Mr. WALKER, for 60 minutes, on September 7.

Mr. GINGRICH, for 60 minutes, on September 7.

Mr. WEBER, for 60 minutes, on September 7.

Mr. WALKER, for 60 minutes, on September 10.

Mr. GINGRICH, for 60 minutes, on September 10.

Mr. WEBER, for 60 minutes, on September 10.

(The following Members (at the request of Mr. SPRATT) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. MOODY, for 60 minutes, today.

Ms. MIKULSKI, for 30 minutes, September 6.

Mr. GLICKMAN, for 60 minutes, September 10.

Mr. McCURDY, for 60 minutes, September 12.

Mr. McCURDY, for 60 minutes, September 13.

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Mr. LEVIN of Michigan, for 5 minutes, on September 6.

Mr. LEVIN of Michigan, for 60 minutes, on September 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ROGERS) and to include extraneous matter:)

Mr. BROOMFIELD in three instances.
Mr. PACKARD.
Mr. MOORHEAD.
Mr. RUDD.
Mr. WEBER.
Mr. MICHEL.
Mr. PORTER.

(The following Members (at the request of Mr. SPRATT) and to include extraneous matter:)

Mr. KILDEE.
Mr. FAZIO.
Mr. ANDERSON in 10 instances.
Mr. GONZALEZ in 10 instances.
Mrs. LLOYD in five instances.
Mr. HAMILTON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mrs. BURTON of California.
Mr. TRAXLER.
Mr. HERTEL of Michigan.
Mr. TORRICELLI.
Ms. MIKULSKI.
Mrs. BOXER.
Mr. DYSON.
Mr. GARCIA.
Mr. BROOKS.
Mr. FOWLER.
Mr. VENTO.
Mr. EDWARDS of California.
Mr. BEDELL.

SENATE JOINT AND CONCURRENT RESOLUTIONS REFERRED

Joint and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 275. Joint resolution to designate the month of October 1984 as "National Spina Bifida Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 295. Joint resolution to provide for the designation of the week of October 14, through October 20, 1984, as "Myasthenia Gravis Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 299. Joint resolution to designate November 1984, as National Diabetes Month; to the Committee on Post Office and Civil Service.

S.J. Res. 305. Joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 309. Joint resolution authorizing and requesting the President to designate January 1985 as "National Cerebral Palsy Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 318. Joint resolution to designate the week of September 16, 1984 through September 22, 1984, as "National Developmental Disabilities Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 322. Joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 333. Joint resolution to designate September 21, 1984, as "World War I Aces and Aviators Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 334. Joint resolution to provide for the designation of the month of November, 1984, as "National Hospice Month"; to the Committee on Post Office and Civil Service.

S.J. Res.335. Joint resolution to designate the week beginning on May 19, 1985, as "National Tourism Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 336. Joint resolution to proclaim October 23, 1984, as "A Time of Remembrance" for all victims of terrorism throughout the world; to the Committee on Post Office and Civil Service.

S.J. Res. 337. Joint resolution designating October 1984 as "Computer Learning Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 340. Joint resolution to designate the week of September 23, 1984 as "National Historically Black Colleges Week"; to the Committee on Post Office and Civil Service.

S. Con. Res. 75. Concurrent resolution favoring a National Museum of the U.S. Army; to the Committee on Armed Services.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. HAWKINS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1652. An act to amend the Reclamation Safety of Dams Act of 1978, and for other purposes;

H.R. 3787. An act to amend the National Trails System Act by adding the California Trail to the study list, and for other purposes;

H.R. 4214. An act to establish a State Mining and Mineral Resources Research Institute program, and for other purposes;

H.R. 4280. An act to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1954 to improve the delivery of retirement benefits and provide for greater equity under private pension plans for workers and their spouses and dependents by taking into account changes in work patterns, the status of marriage as an economic partnership, and the substantial contribution to that partnership of spouses who work both in and outside the home, and for other purposes;

H.R. 4596. An act to amend section 1601(d), of Public Law 96-607 to permit the Secretary of the Interior to acquire title in fee simple to McClintock House at 16 East Williams Street, Waterloo, NY;

H.R. 5604. An act to authorize certain construction at military installations for fiscal year 1985, and for other purposes;

H.R. 4707. An act to designate certain national forest lands in the State of Arizona as wilderness, and for other purposes;

H.R. 5712. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes;

H.R. 5890. An act to establish a commission to assist in the first observance of the Federal legal holiday honoring Martin Luther King, Jr.;

H.R. 6040. An act making supplemental appropriations for the fiscal year ending September 30, 1984, and for other purposes;

H.J. Res. 452. Joint resolution recognizing the important contributions of the arts to a complete education;

H.J. Res. 529. Joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week";

H.J. Res. 574. Joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week";

H.J. Res. 583. Joint resolution to designate January 27, 1985, as "National Jerome Kern Day";

H.J. Res. 587. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month";

H.J. Res. 597. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week," and

H.J. Res. 600. Joint resolution to amend the Agriculture and Food Act of 1981 to provide for the establishment of a commission to study and make recommendations concerning agriculture-related trade and export policies, programs, and practices of the United States.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1547. An act to amend the conditions of a grant of certain lands to the town of Olathe, CO., and for other purposes;

S. 1806. An act to recognize the organization known as the Jewish War Veterans of the United States of America, Inc.;

S. 2036. An act to require the Secretary of the Interior to convey to the city of Brigham City, UT., certain land and improvements in Box Elder County, UT;

S. 2085. An act to provide continuing authority to the Secretary of Agriculture for recovering costs associated with cotton classing services to producers and to authorize the Secretary of Agriculture to invest funds derived from fees for certain voluntary grading and inspection services;

S. 2201. An act to convey certain lands to the Zuni Indian Tribe for religious purposes;

S. 2436. An act to amend the Communications Act of 1934 to extend certain authorizations of appropriations contained in such act, and for other purposes; and

S. 2556. An act to authorize appropriations for the American Folklife Center for fiscal years 1985 and 1986, and for other purposes.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 8 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, September 6, 1984, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3900. A letter from the Director, Office of Management and Budget, transmitting the supplementary summary of the fiscal year 1985 budget, pursuant to 31 U.S.C. 1106(a)(1) (H. Doc. No. 98-251); to the Committee on Appropriations and ordered to be printed.

3901. A communication from the President of the United States, transmitting requests for supplemental appropriations for fiscal years 1984 and 1985, pursuant to 31 U.S.C. 1107 (H. Doc. No. 98-252); to the Committee on Appropriations and ordered to be printed.

3902. A communication from the President of the United States, transmitting the 1984 budget supplemental of the District of Columbia, pursuant to Public Law 93-198, section 446; Public Law 93-125, section 114; (H. Doc. No. 98-250); to the Committee on Appropriations and ordered to be printed.

3903. A letter from the Acting Comptroller General of the United States, transmitting a report on his review of a proposed new deferral of budget authority and proposed revisions to six previously reported deferrals contained in the Message from the President dated July 20, 1984 (H. Doc. No. 98-239), pursuant to Public Law 93-344, section 1014 (b) and (c) (H. Doc. No. 98-246); to the Committee on Appropriations and ordered to be printed.

3904. A letter from the Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting notification of the Navy's decision to study the conversion from in-house operation to commerical contract of various functions at different installations, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, section 502(a) (96 Stat. 747)); to the Committee on Armed Services.

3905. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of contract award dates for the period September 1 to October 31, 1984, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

3906. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of supplemental contract award dates for the period September 1 to October 31, 1984, pursuant to 10 U.S.C. 139(b); to the Committee on Armed Services.

3907. A letter from the Deputy Assistant Secretary of the Air Force (Logistics and Communications), transmitting notice of the Air Force's decision to study the conversion to contractor performance of certain functions at various locations, pursuant to 10 U.S.C. 2304 nt (Public Law 96-342, sec-

tion 502(a) (96 Stat. 747)); to the Committee on Armed Services.

3908. A letter from the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations), transmitting a draft of proposed legislation to amend section 1448 of title 10, United States Code, to provide more equitable treatment under the Survivor Benefit Program for the surviving spouses of certain commissioned officers of the Armed Forces; to the Committee on Armed Services.

3909. A letter from the Assistant Secretary of the Army (Manpower, and Reserve Affairs), transmitting a draft of proposed legislation to amend section 3031 of title 10, United States Code, to increase the number of authorized Deputy Chiefs of Staff for the Army Staff; to the Committee on Armed Services.

3910. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report on loan, guarantee, and insurance transactions supported by Eximbank during July 1984 to Communist countries as a result of Presidential determinations, pursuant to the act of July 31, 1945, chapter 341, section 2(b)(2) (88 Stat. 2334); to the Committee on Banking, Finance and Urban Affairs.

3911. A letter from the Assistant Attorney General, Antitrust Division, Department of Justice, transmitting a review of voluntary agreements between Government and private industry for fiscal year 1983, pursuant to the act of September 8, 1950, chapter 932, section 708(k) (89 Stat. 810); to the Committee on Banking, Finance and Urban Affairs.

3912. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 1984 report on the economic viability of depository institutions, pursuant to Public Law 96-221, section 206; to the Committee on Banking, Finance and Urban Affairs.

3913. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Concerns Regarding the District's Medicaid Fraud Control Program", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3914. A letter from the Auditor, District of Columbia, transmitting a copy of a report entitled, "Review of Minority Contracting in the Department of Transportation", pursuant to Public Law 93-198, section 455(d); to the Committee on the District of Columbia.

3915. A letter from the Secretary of Education, transmitting a copy of proposed final regulations in connection with the Institute of Museum Services, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3916. A letter from the Secretary of Education, transmitting proposed final regulations for the Incentive Grant Program, pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3917. A letter from the Secretary of Education, transmitting a copy of proposed final regulations for "Student Rights in Research, Experimental Activities, and Testing," pursuant to GEPA, section 431(d)(1) (88 Stat. 567; 90 Stat. 2231; 95 Stat. 453); to the Committee on Education and Labor.

3918. A letter from the Secretary of the Interior, transmitting the 1983 annual report on the Youth Conservation Corps Program, pursuant to Public Law 92-597, section 5; to the Committee on Education and Labor.

3919. A letter from the Secretary of Energy, transmitting the quarterly report on the strategic petroleum reserve, pursuant to EPCA, section 165(b) (95 Stat. 620); to the Committee on Energy and Commerce.

3920. A letter from the Secretary of Energy, transmitting the 1983 annual report on Federal Government Energy Management, pursuant to Public Law 95-619, section 550; to the Committee on Energy and Commerce.

3921. A letter from the Secretary, Interstate Commerce Commission, transmitting notification that the Commission and the parties to Formal Docket No. 39002, *Utility Fuels, Inc.* v. *Burlington Northern Railroad Company, Fort Worth and Denver Railroad Company, and Atchison, Topeka and Santa Fe Railroad Company* have been unable to complete the evidentiary record within the time period specified, pursuant to 49 U.S.C. 10327(k)(2); to the Committee on Energy and Commerce.

3922. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the addition of 6 countries to the 46 previously named for antiterrorism assistance, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

3923. A letter from the Acting Secretary of Agriculture, transmitting the 1984 global assessment report on world food production and needs, pursuant to the act of July 10, 1954, chapter 469, section 408(b) (91 Stat. 552; 94 Stat. 2246; E.O. 11963); to the Committee on Foreign Affairs.

3924. A letter from the Secretary of Commerce, transmitting the annual report of the Export Administration for fiscal year 1983, pursuant to Public Law 96-72, section 14; to the Committee on Foreign Affairs.

3925. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3926. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3927. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a) (92 Stat. 993); to the Committee on Foreign Affairs.

3928. A letter from the Chairman, Japan-United States Friendship Commission, transmitting the annual report on the Commission's activities, pursuant to Public Law 94-118, section 5(b); to the Committee on Foreign Affairs.

3929. A letter from the Comptroller General of the United States, transmitting a list of all reports issued or released by GAO in July 1984, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3930. A letter from the Acting Commissioner, Social Security Administration, transmitting notification of a proposed altered system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3931. A letter from the Assistant Attorney General for Administration, Department of Justice, transmitting notice of a modification of a Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3932. A letter from the Chairman, Federal Election Commission, transmitting notification of proposed new and revised systems of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3933. A letter from the Chairman, Securities and Exchange Commission, transmitting a report on the Commission's compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act) during calendar year 1983, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3934. A letter from the Chief, Army and Air Force Exchange Service, Departments of the Army and the Air Force, transmitting a report on the financial condition of the Army and Air Force Exchange Service pension plans for the year ended December 31, 1983, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3935. A letter from the Comptroller General of the United States, transmitting a report on the implementation of the Federal Managers' Financial Integrity Act; First year (GAO/OCG-84-3; August 24, 1984); to the Committee on Government Operations.

3936. A letter from the Deputy Chief of Staff for Installations and Logistics, Headquarters, U.S. Marine Corps, Department of the Navy, transmitting a copy of the retirement plan for civilian employees of the U.S. Marine Corps Exchanges, Recreations Funds, Clubs, Messes, and the Marine Corps Exchange Service, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3937. A letter from the Director, NOAA Corps, Department of Commerce, transmitting a copy of the 1983 annual NOAA Corps pension plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3938. A letter from the Director, Peace Corps, transmitting notice of a proposed new system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3939. A letter from the Executive Secretary, Federal Reserve Employee Benefits Systems, transmitting the annual report for the Retirement Plan for Employees of the Federal Reserve System, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3940. A letter from the General Counsel, Securities and Exchange Commission, transmitting notification of a proposed altered system of records, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3941. A letter from the Inspector General, Department of Transportation, transmitting notification of a computer matching program involving the Title VII Option II Railroad Retirement Benefits Program, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3942. A letter from the Plan Administrator, Farm Credit Retirement System, transmitting the annual pension plan report, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3943. A letter from the Secretary to the Board, Railroad Retirement Board, transmitting notification of an altered records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

3944. A letter from the Chairman, Federal Election Commission, transmitting a copy of

proposed regulations pertaining to the administration of the Presidential Election Campaign Fund Act and the Presidential Primary Matching Payment Account Act, pursuant to IRC, sections 9039(c) and 9009(c); to the Committee on House Administration.

3945. A letter from the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures of appropriations and other funds for the period April 1, 1984, to June 30, 1984, pursuant to 2 U.S.C. 104a (H. Doc. No. 98-247); to the Committee on House Administration and ordered to be printed.

3946. A letter from the Chief, Forest Service, Department of Agriculture, transmitting a copy of the Skagit River National Wild and Scenic River Plan, pursuant to Public Law 90-542, section 3(b) (92 Stat. 3533); to the Committee on Interior and Insular Affairs.

3947. A letter from the Acting Secretary of the Interior, transmitting notification of the leasing systems for the North Atlantic Sale 82, scheduled to be held in September 1984, pursuant to the act of August 7, 1953, chapter 345, section 8(a)(8) (92 Stat. 640); to the Committee on Interior and Insular Affairs.

3948. A letter from the Assistant Secretary for Indian Affairs, Department of the Interior, transmitting a proposed plan for the use and distribution of the funds of the Quechan Tribe of Fort Yuma Reservation, CA, in Docket 320 before the United States Claims Court, pursuant to Public Law 93-134, sections 2(a) and 4; to the Committee on Interior and Insular Affairs.

3949. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting a report on proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3950. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3951. A letter from the Deputy Associate Director for Royalty Management Operations, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to the act of August 7, 1953, chapter 345, section 10(b); to the Committee on Interior and Insular Affairs.

3952. A letter from the Chief Judge, U.S. Court of Appeals, Ninth Circuit, transmitting a report of the Judicial Council and the Court of Appeals of the Ninth Circuit in the implementation of section 6 of the Omnibus Judgeship Act of 1978; to the Committee on the Judiciary.

3953. A letter from the Executive Director, Reserve Officers Association, transmitting the Association's financial statements for the year ended March 31, 1984, pursuant to Public Law 88-504, section 3 (36 U.S.C. 1103); to the Committee on the Judiciary.

3954. A letter from the Treasury (Legislative Affairs), transmitting a report for 1983 on fishery allocations, permits, and foreign import barriers, pursuant to Public Law 94-265, section 201(f) (92 Stat. 519); to the Committee on Merchant Marine and Fisheries.

3955. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the Secretary of Commerce to relinquish exclusive legislative jurisdiction over lands or interests under the Secretary's control; to the Committee on Merchant Marine and Fisheries.

3956. A letter from the Secretary of Transportation, transmitting a report entitled, "The Effect of the Airline Deregulation Act on the Level of Air Safety", pursuant to Public Law 85-726, section 107(b) (92 Stat. 1709); to the Committee on Public Works and Transportation.

3957. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a review of the beach erosion control and hurricane protection report on Dade County, FL, in response to a resolution adopted September 23, 1976, by the Committee on Public Works and Transportation; to the Committee on Public Works and Transportation.

3958. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to amend section 110(f) of the River and Harbor Act of 1958 (72 Stat. 303), as amended, to increase the monetary authorization for the rehabilitation of the Illinois-Mississippi Canal; to the Committee on Public Works and Transportation.

3959. A letter from the Acting Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize the Secretary of the Army, acting through the Chief of Engineers, to undertake further engineering and design of water resources development projects following the submission of a report to Congress recommending implementation of the projects; to the Committee on Public Works and Transportation.

3960. A letter from the Deputy Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38, United States Code, to enhance recruitment and retention by the Veterans' Administration of graduate and student nurse technicians; to the Committee on Veterans' Affairs.

3961. A letter from the U.S. Trade Representative, transmitting a report on trade between the United States and nonmarket economy countries during calendar year 1983, pursuant to 19 U.S.C. 2441(c); to the Committee on Ways and Means.

3962. A letter from the Secretary of Health and Human Services, transmitting a report on the number of children in foster care pursuant to voluntary placement agreements, pursuant to Public Law 96-272, section 102(e); to the Committee on Ways and Means.

3963. A letter from the Comptroller General of the United States, transmitting a report entitled "Examination of the Saint Lawrence Seaway Development Corporation's Financial Statements for the Year Ended December 31, 1983," pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Public Works and Transportation.

3964. A letter from the Comptroller General of the United States, transmitting a report on United States and Soviet bloc training of Latin American and Caribbean students (GAO/NSIAD-84-109; August 16, 1984); jointly, to the Committees on Government Operations and Foreign Affairs.

3965. A letter from the Comptroller General of the United States, transmitting a report entitled "Examination of the Pennsylvania Avenue Development Corporation's Financial Statements for the Year Ended September 30, 1983," pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Operations and Interior and Insular Affairs.

3966. A letter from the Chairman, Federal Election Commission, transmitting a copy of the Commission's fiscal year 1986 budget request, pursuant to Public Law 92-225, section 307(d)(1) (93 Stat. 1354, 1356); jointly, to the Committees on House Administration and Appropriations.

3967. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a report on abnormal occurrences at licensed nuclear facilities, pursuant to Public Law 93-438, section 208; jointly to the Committees on Interior and Insular Affairs and Energy and Commerce.

3968. A letter from the Under Secretary of Energy, transmitting the quarterly report on biomass energy development, pursuant to Public Law 96-294, section 218(a); jointly to the Committees on Agriculture, Energy and Commerce, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on August 9, 1984, the following report was filed on August 15, 1984]

Mr. FUQUA: Committee on Science and Technology. H.R. 3750. A bill to provide assistance to local educational agencies and institutions of higher education to promote computer literacy among elementary and secondary school students and their teachers, and for other purposes; with an amendment (Rept. No. 98-752, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

[Submitted August 10, 1984]

Mr. BROOKS: Committee on Government Operations. H.R. 3726. A bill to amend the Act of May 27, 1955, to increase the effectiveness of domestic firefighting forces and ensure prompt and effective control of wildfires on Federal lands by permitting the use of firefighting forces of foreign nations and the reimbursement of such forces for costs incurred in fighting wildfires throughout the United States, and for other purposes; with an amendment (Rept. No. 98-978, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on August 9, 1984, the following report was filed on August 15, 1984]

Mr. FUQUA: Committee on Science and Technology. H.R. 5003. A bill to establish a uniform Federal system for management, protection, and utilization of the results of federally sponsored scientific and technological research and development, and for other purposes; with an amendment (Rept. No. 98-983, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on August 10, 1984, the following report was filed on August 17, 1984]

Mr. HUGHES: Committee on the Judiciary. H.R. 6031. A bill to improve the criminal enforcement of provisions of law relating to currency and foreign transactions; with an amendment (Rept. No. 98-984, Pt. I). Ordered to be printed.

[Pursuant to the order of the House on August 10, 1984, the following reports were filed on August 31, 1984]

Mr. KASTENMEIR: Committee on the Judiciary. H.R. 5645. A bill to permit courts of the United States to establish the order of hearing for certain civil matters, and for other purposes; with an amendment (Rept. No. 98-985). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIR: Committee on the Judiciary. H.R. 5644. A bill to provide greater discretion to the Supreme Court in selecting the cases it will review; with an amendment (Rept. No. 98-986). Referred to the Committee of the Whole House on the State of the Union.

Mr. KASTENMEIR: Committee on the Judiciary. H.R. 5938. A bill to amend title 17, United States Code, with respect to the rental, lease, or lending of sound recordings (Rept. No. 98-987). Referred to the Committee of the Whole House on the State of the Union.

[Submitted September 5, 1984]

Mr. UDALL: Committee on Interior and Insular Affairs. S. 2000. A bill to allow variable interest rates for Indian funds held in trust by the United States; with an amendment (Rept. No. 98-988). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5733. A bill to provide for the use and distribution of the Lake Superior and Mississippi Bands of Chippewa Indians judgment funds in docket 18-S and the Lake Superior Band of Chippewa Indians judgment funds in docket 18-U, before the Indian Claims Commission, and for other purposes (Rept. No. 98-989). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5714. A bill entitled the "Shoalwater Bay Indian Tribe—Dexter-by-the-Sea Claim Settlement Act" (Rept. No. 98-990). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 5519. A bill to reauthorize and amend the Indian Financing Act; with an amendment (Rept. No. 98-991). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DELLUMS (for himself, Mr. FAUNTROY, and Mr. MCKINNEY):

H.R. 6186. A bill to provide for the assumption of selected functions, programs, and resources of Saint Elizabeths Hospital by the District of Columbia, to provide for the establishment of a comprehensive mental health care system in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CONTE:

H.R. 6187. A bill to amend the National Labor Relations Act to provide that the duty to bargain collectively includes bargaining with respect to retirement benefits for retired employees; to the Committee on Education and Labor.

By Mr. HUNTER:

H.R. 6188. A bill to direct the Secretary of the Interior to convey a certain parcel of land located near Ocotillo, CA; to the Committee on Interior and Insular Affairs.

By Mr. JONES of North Carolina:

H.R. 6189. A bill to eliminate unnecessary paperwork and reporting requirements contained in section 15(1) of the Outer Continental Shelf Lands Act, and sections 601 and 606 of the Outer Continental Shelf Lands Act, Amendments of 1978; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. MOLINARI:

H.R. 6190. A bill to amend the Federal Aviation Act of 1958 to require air carriers to schedule operations at airports in such a manner so as not to exceed the capacity of any airport to handle operations during any period of time; to the Committee on Public Works and Transportation.

By Mr. PARRIS:

H.R. 6191. A bill to provide for a 4-percent pay comparability increase for Federal Officers and employees, effective as of October 1, 1984; to the Committee on Post Office and Civil Service.

By Mr. HUNTER (for himself, Mr. BATES, Mr. LOWERY of California, and Mr. PACKARD):

H.J. Res. 642. Joint resolution to require the U.S. Postal Service to provide and sell a postage stamp issue to honor aviation pioneer John J. Montgomery and to commemorate more than 100 years of controlled winged flight; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

461. By the Speaker: Memorial of the Senate of the Commonwealth of Massachusetts, relative to proposed legislation to award posthumous citizenship to a Vietnam veteran; to the Committee on the Judiciary.

462. Also, memorial of the Legislature of the State of Maine, relative to compensation for the services of Senators and Representatives; to the Committee on the Judiciary.

463. Also, memorial of the Legislature of the State of California, relative to ocean fishing; to the Committee on Merchant Marine and Fisheries.

464. Also, memorial of the Assembly of the State of California, relative to Thomas Jefferson's birthday; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MCGRATH introduced a bill (H.R. 6192) for the relief of Julian and Filomenia Barias, husband and wife; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 74: Mr. FRANK.

H.R. 1517: Mr. THOMAS of California.

H.R. 1676: Mr. HALL of Ohio, Mr. HAYES, and Mr. GREGG.

H.R. 1959: Mr. KASICH, Mr. HERTEL of Michigan, and Mr. WOLPE.

H.R. 2053: Mr. HERTEL of Michigan.

H.R. 2847: Mr. EDGAR.

H.R. 3255: Mr. PANETTA.

H.R. 3778: Mr. FAUNTROY, Mr. MARTINEZ, and Mr. YATES.

H.R. 4203: Mr. CHANDLER.

H.R. 4731: Mr. MINISH, Mr. LEHMAN of Florida, Mr. BONIOR of Michigan, and Mr. LUNDINE.

H.R. 4800: Mr. MATSUI.

H.R. 4877: Mrs. JOHNSON.

H.R. 4928: Mr. DEWINE.

H.R. 4966: Mr. BILIRAKIS, Mr. MARTIN of North Carolina, Mr. ORTIZ, Mr. SWIFT, and Mr. SYNAR.

H.R. 5335: Mr. PORTER.

H.R. 5341: Mr. DELLUMS, Mr. DWYER of New Jersey, Mr. WEAVER, Mr. FEIGHAN, Mr. KOGOVSEK, Mr. HALL of Ohio, Mr. TORRICELLI, Mr. HEFTEL of Hawaii, and Mr. MINETA.

H.R. 5469: Mr. MOAKLEY.

H.R. 5611: Mr. BADHAM and Mr. EVANS of Illinois.

H.R. 5676: Mr. LAGOMARSINO, Mr. GORE, Mr. CRAIG, Mr. RANGEL, Mr. DANNEMEYER, Mr. WISE, Mr. PURSELL, Ms. KAPTUR, Mr. ERDREICH, Mr. LOWRY of Washington, Mrs. SCHNEIDER, Mr. CLINGER, and Mr. BEREUTER.

H.R. 5730: Mr. EVANS of Illinois.

H.R. 5732: Mr. CARPER and Mrs. BOXER.

H.R. 5754: Mr. WALGREN.

H.R. 5911: Mr. WEISS.

H.R. 5937: Mr. BERMAN and Mr. LUNDINE.

H.R. 5977: Mr. LANTOS, Mr. GLICKMAN, and Mr. WILSON.

H.R. 6005: Mr. JACOBS.

H.R. 6014: Mr. HAYES, Mr. LEVIN of Michigan, Mr. REID, Mr. GUARINI, and Mr. DWYER of New Jersey.

H.R. 6021: Mr. FROST, Mr. SMITH of Florida, Mr. LUNDINE, Mr. NEAL, Mr. MCCAIN, Mr. RATCHFORD, Mr. WILSON, Ms. KAPTUR, Mr. KRAMER, Mr. ALBOSTA, Mr. VANDER JAGT, Mr. YOUNG of Missouri, Mr. DREIER of California, Mr. DWYER of New Jersey, Mr. SKEEN, Mr. D'AMOURS, Mr. ROBERTS, Mr. TALLON, Mr. DYSON, Mr. HILER, Ms. FIEDLER, Mr. COATS, Mr. ROBINSON, Mr. DEWINE, Mr. STUMP, Mr. DICKINSON, MR. BURTON of Indiana, Mrs. HOLT, Mr. KOSTMAYER, Mr. WINN, Mr. TAUKE, Mr. EMERSON, Mr. DICKS, and Mr. HANCE.

H.R. 6067: Mr. KILDEE, Mr. WON PAT, Mrs. KENNELLY, Ms. FERRARO.

H.R. 6179: Mr. DARDEN, Mr. JENKINS, and Mr. BURTON of Indiana.

H.J. Res. 239: Mr. MCCOLLUM, and Mr. WILLIAMS of Ohio.

H.J. Res. 243: Mr. BATEMAN, Mr. BENNETT, and Mr. DICKINSON.

H.J. Res. 392: Mr. MCCAIN, Mr. STUMP, Mr. DELLUMS, Mr. LANTOS, Mr. BEILENSON, Mr. BATES, Mr. HUTTO, Mr. BENNETT, Mr. YOUNG of Florida, Mr. THOMAS of Georgia, Mr. LEVITAS, Mr. DARDEN, Mr. ROWLAND, Mr. JENKINS, Mr. AKAKA, Mr. HYDE, Mr. PORTER, Mr. DURBIN, Mr. BERMAN, Mrs. HALL of Indiana, Mr. BURTON of Indiana, Mr. BEDELL, Mr. ROBERTS, Mr. STARK, Mr. BARNES, Mr. MAVROULES, Mr. CONYERS, Mr. MONTGOMERY, Mr. VOLKMER, Mr. REID, Mr. HOWARD, Mr. SMITH of New Jersey, Mr. MINISH, Mr. ACKERMAN, Mr. SOLARZ, Mr. MARTIN of New York, Mr. LAFALCE, Mr. WHITLEY, Mr. ANDREWS of North Carolina, Mr. BRITT, Mr. ROSE, Mr. MARTIN of North Carolina, Mr. LUKEN, Ms. KAPTUR, Mr. WEAVER, Mr. KOSTMAYER, Mr. RITTER, Mr. HARTNETT, Mrs. LLOYD, Mr. COOPER, Mr. SUNDQUIST, Mr. RALPH M. HALL, Mr. BRYANT, Mr. BROOKS, Mr. LEATH of Texas, Mr. KAZEN, Mr. VANDERGRIFF, Mr. BLILEY, Mr. PARRIS, Mr. HALL of Ohio, Mr. DICKS, Mr. RAHALL, Mr. BARTLETT, Mr. HARRISON, Mr. LATTA, Mr. LEWIS of Florida, Mr. ANDREWS of Texas, Mr. BROOM-

FIELD, Mr. BROYHILL, Mr. FLIPPO, Mr. HAWKINS, Mr. APPLEGATE, Mr. CORCORAN, Mr. SOLOMON, Mr. MCEWEN, Mr. VANDER JAGT, Mr. COUGHLIN, and Mr. IRELAND.

H.J. Res. 482: Mr. HAMMERSCHMIDT, Mr. NICHOLS, Mr. MCCAIN, Mr. BLILEY, Mr. SPENCE, Mr. ALEXANDER, Mr. DELLUMS, Mr. RIDGE, Mr. SNYDER, Mr. ROWLAND, Mr. O'BRIEN, Mr. SCHULZE, Mrs. LLOYD, Mr. SHARP, Mr. ROBERTS, Mr. JONES of Tennessee, Mr. COUGHLIN, and Mr. EDWARDS of Alabama.

H.J. Res. 580: Mr. BOEHLERT.

H.J. Res. 595: Mr. ALBOSTA, Mr. ANDREWS of North Carolina, Mr. BATES, Mr. BORSKI, Mrs. BOXER, Mr. BREAUX, Mr. BROYHILL, Mrs. BYRON, Mr. CARNEY, Mr. CARPER, Mr. CHAPPIE, Mr. DARDEN, Mr. DURBIN, Mr. DYMALLY, Mr. EVANS of Illinois, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FOWLER, Mr. FRANK, Mr. GUARINI, Mr. HANCE, Mr. HARRISON, Mr. HATCHER, Mr. HEFTEL of Hawaii, Mr. HOWARD, Mr. HOYER, Mr. JACOBS, Mr. JONES of North Carolina, Mr. KLECZKA, Mr. LANTOS, Mr. LEACH of Iowa, Mr. LEWIS of Florida, Mr. LOEFFLER, Mr. LOWERY of California, Mr. LOWRY of Washington, Mr. MCCANDLESS, Mr. MARTIN of North Carolina, Mr. MINISH, Mr. MONTGOMERY, Mr. MURTHA, Mr. ORTIZ, Mr. PAUL, Mr. ROBERTS, Mr. SKEEN, Mr. SNYDER, Mr. STARK, Mr. STRATTON, Mr. SWIFT, Mr. SYNAR, Mr. TAUKE, Mr. TORRES, Mr. WEAVER, Mr. WILLIAMS of Ohio, Mr. WILSON, and Mr. WOLPE.

H.J. Res. 603: Mr. DURBIN, Mr. FRANK, Mr. THOMAS of California, Mr. HOYER, Mr. SKEEN, Mr. ERDREICH, Mr. CARPER, Mr. AKAKA, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. HANSEN of Idaho, Mrs. HALL of Indiana, Mr. HUGHES, Mr. DOWNEY of New York, Mr. BOLAND, Mr. KEMP, Mr. MOAKLEY, Mr. ANDREWS of Texas, Mr. RATCHFORD, Mr. FRENZEL, Mr. WATKINS, Mr. MCNULTY, Mr. WALGREN, Mr. PRITCHARD, Mr. MURPHY, Mr. YOUNG of Florida, and Mr. FOLEY.

H.J. Res. 621: Mr. SHAW, Mr. MRAZEK, Mr. BORSKI, Mr. NATCHER, Mr. ADDABBO, Mr. FEIGHAN, Mr. CONYERS, Mr. HAMILTON, and Mr. VANDER JAGT.

H.J. Res. 623: Mrs. KENNELLY, Mr. MORRISON of Connecticut, Mr. RATCHFORD, Mr. LEWIS of Florida, Mr. BENNETT, Mr. LEHMAN of Florida, Mr. GEJDENSON, Mr. MARTIN of New York, Mr. MACKAY, Mr. STAGGERS, Mr. CONTE, and Mr. CHAPPELL.

H.J. Res. 624: Mr. ACKERMAN, Mr. BRYANT, and Mr. STRATTON.

H.J. Res. 631: Mr. SABO, Mr. GREEN, Mr. GUARINI, Mr. SUNDQUIST, Mr. PURSELL, Mr. QUILLEN, Mr. ANDERSON, Mr. MCGRATH, Mr. DELLUMS, Mr. BRITT, Mr. JACOBS, Mr. BEDELL, Mr. WHITTAKER, Mr. ROWLAND, Mr. KEMP, Mr. HUTTO, Mr. HATCHER, Mr. LEVIN of Michigan, Mr. REID, Mr. VENTO, Mr. WON PAT, Mr. MARTIN of North Carolina, Mr. FROST, Mr. D'AMOURS, Mr. WHEAT, Mr. LOWERY of California, Mr. RANGEL, Mr. KILDEE, Mr. STARK, Mr. SCHUMER, Mr. MONTGOMERY, Mr. HAMMERSCHMIDT, Mr. BATES, Mr. MARRIOTT, Mr. SPRATT, Mr. BROOMFIELD, Mr. COUGHLIN, Mrs. BURTON of California, and Mr. HANSEN of Utah.

H. Con. Res. 21: Mr. MOAKLEY, Mr. OWENS, Mr. RODINO, Mr. MRAZEK, Mr. DWYER of New Jersey, Mr. DOWNEY of New York, Mr. SCHUMER, Mr. LELAND, and Mr. SCHEUER.

H. Con. Res. 301: Mr. FRENZEL and Mr. DWYER of New Jersey.

H. Con. Res. 336: Mr. BATES, Mr. BERMAN, Mr. CONYERS, Mr. FAZIO, Mr. FISH, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. RANGEL, Mr. SAVAGE, Mr. TOWNS, and Mr. WON PAT.

H. Res. 430: Mr. BORSKI, Mrs. BURTON of California, Mr. FRENZEL, Mr. JACOBS, Mr. KOGOVSEK, Mr. LOWRY of Washington, Mr. ROSE, Mr. SCHEUER, and Mr. SYNAR.

H. Res. 518: Mr. MCCAIN, Mrs. SMITH of Nebraska, Mr. FISH, and Mr. CORCORAN.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

404. By the SPEAKER: Petition of the City Commission of Key West, FL, relative to a nuclear armaments freeze; to the Committee on Foreign Affairs.

405. Also, petition of the General Assembly of the Presbyterian Church (U.S.A.), Atlanta, GA, relative to the U.S. Commission on Civil Rights; to the Committee on the Judiciary.

406. Also, petition of the Council of the County of Maui, Hawaii, relative to the Japanese American Citizens League; to the Committee on the Judiciary.

407. Also, petition of the Oklahoma State Board of Education, Oklahoma City, OK, relative to tuition tax credits; to the Committee on Ways and Means.

408. Also, petition of the Northeast Association of State Departments of Agriculture, Augusta, ME, relative to subsidized imports in the Northeast; to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5602

By Mr. GUNDERSON:

(Substitute for Solomon amendment to H.R. 5602.)

—Page 17, insert after line 25 the following:

SEC. 122. Part A of title VII is amended by adding at the end the following:

"COMPLIANCE WITH SELECTIVE SERVICE

"SEC. 711. If the Director of the Selective Service System determines that any individual—

"(1) receiving or applying for any grant, loan, or other assistance under this title, or

"(2) participating in any program established or assisted under this title,

has violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting himself for and submitting to resignation under such section, the Director shall notify the Secretary of such determination.

"(b)(1) If the Director of the Selective Service System has notified the Secretary that an individual has violated such section 3, the Secretary shall notify such individual of such determination.

"(2) Any individual notified under paragraph (1) may submit to the Secretary, within the thirty-day period beginning on the date such individual received such notice, any information with respect to the compliance with or violation of such section 3 by such individual.

"(c) Upon expiration of the period specified in subsection (b)(2) and after taking into consideration any information submitted under such subsection, the Secretary shall make a final determination on whether the individual notified under subsection (b)(1) violated such section 3.

"(d)(1) Notwithstanding any other provision of law, any individual who is determined under subsection (c) to have violated such section 3 is not eligible for, and may not receive, any grant, loan, or other assistance under this title and may not participate in any program established or assisted under this title.

"(2) The Secretary shall take all necessary actions to carry out paragraph (1).

"(e) This section shall take effect on the first day of the sixth month beginning after the date of the enactment of this section.".

EXTENSIONS OF REMARKS

HEY—ATTENTION OSHA—IT'S REAGAN NOT REGAN

HON. DAVID R. OBEY
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. OBEY. Mr. Speaker, productivity at the U.S. Department of Labor has apparently grown so rapidly in recent years that they are now volunteering their services outside the executive branch and are engaging in congressional speech writing. Regrettably, they seem to be having difficulty finding Members to give their speeches.

One such speech was written back in early August and concerned criticism which I made of the Occupational Safety and Health Administration and its enforcement policies toward the Adolph Coors Co. Since no other Member of Congress seems willing to insert this statement in the RECORD and since considerable tax dollars were spent in its preparation, I have decided to put it in the RECORD myself.

There are three major points put forward in the Department's proposed floor statement.

First, they attempt to argue that the efforts to enforce safe work rules at Coors-owned facilities under former Assistant Secretary Auchter declined by only 35 percent instead of the 80-percent drop indicated in statements which I have made. I have pointed out that between the time that Auchter took over and January of this year there were only four instances where OSHA entered Coors facilities and three of those were mandatory investigations following the deaths of Coors employees. This compares with 20 inspections in a previous 33-month time period.

While the Department does not directly dispute this number they try to develop a new statistic more to their liking. They argue that there were 13 inspections or attempted inspections during a 36-month period as opposed to 20 inspections or attempted inspections during a previous 36-month period. The difference between the two sets of numbers can be explained as follows. Three inspections are added which took place after January of this year. I did not include these in my 33-month base period for two reasons. First, the Department could not give me a straight or consistent answer on inspections after January; and second, this was the time period during which the investigation was begun by my office. It was not clear that the inspections were not initiated as a result of the investigation. Five attempts at inspections where no inspection actually took place were also included. One of the thirteen inspections or attempted inspections claimed by the proposed speech can only be accounted for by the fact that when the Department adds 4, 5, and 3 it gets 13 something many of us have suspected for some time.

The serious argument that they are trying to make is that because the company was uncooperative and would not let the agency in without a warrant and because the courts in Colorado were uncooperative in granting warrants, part of the drop in enforcement activity was beyond the Department's control. There is, in fact, a good deal of merit to this argument. But it also raises another question; if the agency was in a difficult situation regarding warrants, how did they go about resolving that problem and still meet their responsibilities under the law? Did they attempt to put pressure on the company to be more cooperative in permitting inspections? Did they make full scale legal efforts to get warrants through the courts?

The answer to both of these questions is no. While OSHA inspectors were denied entry to Coors factories, high OSHA officials were frequent social guests at the Coors mansion. When OSHA inspectors were able to get in to Coors plants they hardly could be said to have thrown the book at the company. Two deaths and a permanent injury resulting from numerous failings by the company to meet minimal safety standards were punished with a fine of $800. Widespread noise violations in another factory was resolved by an agreement to perform a study on the hearing loss of the employees with no requirement for abatement of the unlawful conditions. If OSHA was sending the Coors Co. a message about noncooperation the message was nothing more than a wink.

The agency not only did not develope and execute an effective legal strategy to obtain warrants to enter Coors facilities, they took deliberate actions to ensure that warrants would be unobtainable. Coors facilities rated as dangerous in OSHA national targeting procedures were removed from the priority inspection list. The major purpose for developing the national targeting system for inspections was to have a nonarbitrary means of determining where inspections should be made so that warrants could be granted. The disasterous impact which the removal of the Coors facilities from the target list had on the obtaining of warrants is discussed in memos by staff of both OSHA and the office of the solicitor in the Denver regional office.

The attitude which the agency appeared to have had at the time and the attitude expressed in this proposed floor statement is that OSHA rules, fines, and abatement requirements should be reserved only for those employers that want them; and if an employer does not wish to cooperate we can at least let him buy us lunch.

The second point made in the proposed speech is that the experimentation which is taking place at the Coors facility where noise levels were documented at as much 250 percent above Federal limits is part of a tradition started during the Carter administration to speed up abatement of hazards. The speech says the workers will be fully protected during the NIOSH study. First of all, it is obvious that the person who wrote this section of the proposed statement could not believe that the agency had done what the agency in fact did. The consent agreement signed between OSHA and Coors does not provide for abatement. I repeat, the consent agreement that OSHA signed does not require Coors to cut the noise levels, therefore there is no way that it could be argued that this agreement in any way speeded hazard removal. The second major error made in this paragraph is the statement that NIOSH is conducting the study. As the letter which I am inserting at this point in the RECORD shows, NIOSH has refused to have anything to do with this Coors OSHA experiment.

The third point made in the speech is that the agency used peer review and therefore demonstrated good faith in its recommendation to the State of Virginia that the Dan River Co. be given a variance to allow a study of workers exposed to cotton dust at levels higher than those permitted by Federal standards. As I pointed out in a floor statement in May, the Department did use peer review, but the only written review salvaged the proposal and the prospects of gaining any useful information from such a study as well as the whole idea of experimenting on human beings. The fact that a recommendation to proceed was made in total contradiction to the peer review is one of

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

the major concerns which I and others have expressed in this one example of gross abuse of regulatory power.

Mr. Speaker, I won't take any more time with this pathetic little speech the Department has generated but to the credit of my colleagues, could not peddle. I would point out that while we have cut back job training and CETA jobs considerably in the last several years, there are clearly a few make-work jobs left for the unskilled at the Department of Labor.

[Insert 1]

Mr. Speaker: We all know that this is election season, but a statement in the Congressional Record of July 31 by my distinguished colleague from Wisconsin, Mr. Obey, exceeds the acceptable boundaries for political rhetoric. I refer to his discussion of the Occupational Safety and Health Administration's (OSHA's) purported cut-backs in inspections of the Adolph Coors Company facilities and OSHA's alleged sanction of experiments on workers.

Its well to set the record straight, particularly in an election season. Let's first examine the assertion that OSHA dramatically cut back inspections of the Adolph Coors Company during the tenure of the former Assistant Secretary of Labor for Occupational Safety and Health, Thorne G. Auchter. The facts are that during the first thirty-three months of Mr. Aucther's, OSHA conducted four inspections of Coor's facilities and attempted five other inspections for which it was denied entry by the employer. From January 1, 1984 through March 6, 1984, three additional inspections have taken place and a fourth inspection was attempted, but halted when entry was denied. Thus, a total of thirteen inspections were attempted at Coors facilities during the 36 months of Mr. Aucther's tenure, compared with twenty inspections or attempted entries in the thirty-six months prior to his confirmation as Assistant Secretary.

This is hardly a dramatic cut-back inspection activity, as the ("distinguished" typed in then deleted) gentleman from Wisconsin charges, particularly in light of the unusual difficulty OSHA was experiencing in that period in obtaining inspection warrants from the Federal Magistrate in the Denver Region. From July 1978 through October 1981, approximately 490 denials of entry were experienced by the Denver Region. Only one request for warrants was granted, a 99 percent failure rate, compared to a —— percent failure rate in the country at large. Although OSHA, as is customary, referred these 298 cases to the Labor Department's Solicitor for action, such delays are frustrating and time-consuming and are certainly better avoided. It is understandable that OSHA approached its planning for inspections of facilities where it expected to be denied entry with careful consideration of the basis for a subsequent Solicitor's brief for a warrant.

Next, we find the gentleman from Wisconsin charging OSHA with "gross abuse" of the law for allowing the National Institute for Occupational Saftey and Health (NIOSH) to conduct research in a Coors facility after OSHA had entered into a settlement agreement with Coors. In fact, OSHA in this instance was pursuing a policy initiated in the Carter Administration to encourage settlement agreements by which employers and OSHA would agree on a course of action that would assure prompt abatement of hazards found in the course of an inspection. A prime objective of this policy is to avoid lengthy legal actions against OSHA that only delay correction of hazards and tie up the agency's resources in the courtroom instead of the workplace. The evaluation being done by NIOSH at OSHA's request is intended to provide information to the agency on why some workers experienced hearing loss. There are no sinister villains lurking in the wings to experiment on hapless workers as the honorable gentleman's remarks imply. In this particular Coors facility, I understand that employees are being fully protected during the NIOSH evaluation since the work establishment is in compliance with OSHA's hearing conservation standard.

Still another charge in my colleague's statement of July 31 is that OSHA was "promoting a scheme by which the Dan River Textile Company could escape Federal requirements for cotton dust exposure by having another study of what breaking those rules would do to worker's lungs." When we examine the facts, we find a different story. OSHA was promoting nothing. In October, 1983, the Dan River Corporation petitioned the Virginia Department of Labor and Industry for a variance from the ventilation requirements of the cotton dust standard, which were to go into effect in March 1984. The company's purpose was to test a theory that byssionsis may be caused by bacteria or some other agent. The study proposed that 210 volunteers at the Dan River facilities in Danville, Virginia, be monitored while wearing protective equipment in areas of the facility not meeting OSHA's cotton dust standard.

OSHA saw an early version of this study, which was to be conducted by two university medical researchers, and the agency encouraged the State of Virginia to consider the proposal seriously, but only after it had been modified following peer review. OSHA heard no more about the variance request until May 1, 1984, when Virginia approved Dan River's request for an interim effective order through November 1, 1984, pending further preperation by the company of its application for a variance from the ventilation requirements of the Cotton Dust Standard. The company was to submit a grant proposal to NIOSH for funding the study. If NIOSH did not decide to provide funds by November 1, the company had to install ventilation equipment. If NIOSH decided to fund the study, the experiment could continue for eighteen months to two years. At all times during the study, employees would be protected by personal protective equipment. In response to a formal complaint about Virginia's action, OSHA was preparing to conduct a full-scale investigation. Dan River recently withdrew its request for a variance and the study has not been initiated. The various safegaurds I have mentioned—peer review, use of protective equipment during the study, requirement for NIOSH funding, and the limited period in which it would run—show clearly that there was neither a lack of good faith nor disregard for ethical issues by any of the parties involved.

Finally, we come to the allegation that a variance from workplace lead requirements given to the Gulf Coast Lead Company of Tampa, Florida, was terminated when one of its employees "had to be carried of the job because of kidney failures linked to high levels of lead in his blood."

Let's look at what actually happened. Gulf Coast Lead was granted an experimental variance from the medical—removal requirements of OSHA's Lead Standard at the request of an employee who preferred not to be removed from his job even though he had blood-lead levels requiring such removal under OSHA's Lead Standard. A number of firms in the lead industry have received variances from these medical-removal requirements upon guarantees of increased medical surveillance of workers and maintenance of workplace controls. The Gulf Coast experiment was designed to determine whether, in conjunction with engineering controls, the use of particular type of respirator designed expecially for the employee who wanted to remain at his job would result in lower blood levels of lead. Strict medical evaluation of the four participating employees was one requirement of the experimental variance. During a medical examination the employee who had originally requested exemption from the medical-removal requirements was found to have a possible problem with his kidneys. One of the stipulations of the variance was that all results of medical tests be forwarded directly to OSHA. As soon as they learned of the unfavorable test results, OSHA and the company immediately terminated the experimental variance.

So much for the smoking gun that some still look for in OSHA's policies under this Administration. Granted 'tis the season for exaggeration and innuendo, but the implication in the statement of the ("honorable" typed in then deleted) gentleman from Wisconsin that OSHA is subverting the law goes to far. Nothing could be further from the truth. OSHA, under President Regan,) has helped bring the workplace injury-rate down while removing unnecessary regulatory burdens on our Nation's businesses. This agency should be applauded, not vilified.

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[Insert II]

PUBLIC HEALTH SERVICE, NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH, CENTERS FOR DISEASE CONTROL,

Atlanta, GA, August 29, 1984.

Hon. DAVID R. OBEY,
House of Representatives,
Washington, DC.

DEAR MR. OBEY: Thank you for your letter of August 3, 1984, regarding our involvement in a study of noise problems at the Glass Division of the Adolph Coors Company in Wheat Ridge, Colorado.

At the request of the Occupational Safety and Health Administration (OSHA), we sent a bioacoustics expert to the Coors plant, accompanied by an OSHA and Coors representative, to consult on the adequacy of the Coors hearing protection program. During this site visit, we discovered that Coors was using a non-accredited audiometric method to acquire the audiometric data on their employees. Thus, we recommended that OSHA contract with a recognized expert in noise induced-hearing loss to survey the Coors workers. This contract will not be funded by NIOSH, and the expert's audiometric data are to be supplied directly to OSHA. It is likely that OSHA will ask and we will again provide technical consultation regarding the significance of the hearing data acquired by the contract consultant.

NIOSH was not party to the arrangement resulting in a court order to do a Coors Research Study. We have not conducted a research study at the Coors facility nor do we

plan any such study. Please let me know if we can provide additional information.

Sincerely yours,

J. DONALD MILLAR, M.D.,
Assistant Surgeon General, Director.●

BUSINESS IS BOOMING AT LONG BEACH/LOS ANGELES HARBORS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. ANDERSON. Mr. Speaker, earlier this week, an excellent article appeared in the Los Angeles Times which discusses the tremendous increase in cargo throughput at the ports of Long Beach and Los Angeles.

According to the article, "General cargo volume is up 12.5 percent over last year at the Los Angeles port; it has increased by 11.3 percent at Long Beach. Containerized cargo * * * rose by 21.6 percent at Los Angeles and 44 percent at Long Beach." Combined, this is the fastest-growing port complex in the world.

Earlier this year, the House completed action on H.R. 3678, the first major water development bill since 1976. At my request, language was included in title I to deepen the main channels at Long Beach and Los Angeles and create additional land from the dredged material. Currently, this measure is pending consideration in the Senate.

It is vital that this bill get to the President for his approval prior to the adjournment of this 98th Congress.

As you well know, I have consistently worked with port officials in trying to help them meet the needs of tomorrow and beyond. It is obvious that the need still exists to further expand the facilities at the ports of Long Beach and Los Angeles. This is in part what H.R. 3678 seeks to accomplish. I continue to urge the Senate to complete action on this measure so that a conference committee can be convened and a final bill sent to the President for his signature before the end of this year. If a port bill is not sent to the President this year, I'm afraid it will be a long time before Congress tackles this complicated issue again.

The Los Angeles Times article follows:

[From the Los Angeles Times, Sept. 3, 1984]

PORTS SWAMPED AS CARGO VOLUME SOARS

(By Judy Pasternak)

Captain Karl Sjoblom was especially proud of his ship, the Aniara, last week. The Swedish auto carrier, 13 stories high and 642 feet long, was sparkling from its freshly swabbed decks to its newly tuned engines.

The ship's immaculate state was hardly surprising. The 23 crew members had little but cleaning and maintenance to occupy their time. For nearly 12 hours, the Aniara had been anchored a half mile from its twin destinations—the adjoining ports of Long Beach and Los Angeles.

It would be another day before the ship could berth. The reason: No dockworkers were available to unload the Aniara's cargo of Volvos bound for Long Beach and Mercedeses marked for Los Angeles.

UNUSUAL OCCURRENCE

So Sjoblom sat in his tiny shipboard office and marked time, nursing a mid-morning beer. "This has never happened in the six years I have been coming here," he said.

The odds are, however, that it will happen again. Business is booming on Los Angeles-Long Beach waterfront—the fastest-growing ports in the world, industry experts say—and that has proved to be a decidedly mixed blessing.

General cargo volume is up 12.5% over last year at the Los Angeles port; it has increased by 11.3% at Long Beach. Containerized cargo, which requires skilled stevedores to handle complicated equipment, rose by 21.6% at Los Angeles and by 44% at Long Beach.

But employment of dockworkers serving the two ports has remained steady at 2,600 since 1982—and there just aren't enough to handle the load.

"The proper number should be upwards of 3,200 or 3,300," said John MacEvoy, Southern California-area manager for the Pacific Maritime Assn., a stevedore employers' group. He said a hiring drive is planned soon.

"It means a lot of work and a lot of jobs and a big boost for the Southern California economy," MacEvoy said. "But our problem now is that we find ourselves in water that is over our heads."

James McJunkin, executive director of the Long Beach Harbor Department, and Roy Perry, director of the Los Angeles port, offer several explanations for the increase: the general economic recovery, the opening of new terminals, and the seasonal arrival of imported merchandise scheduled to reach store shelves before Christmas.

No other port in the U.S. is experiencing the surge in cargo and shortage of labor that is occurring at Los Angeles-Long Beach—a port second in size and annual tonnage handled only to New York, according to J. Ronald Brinson, president of the American Assn. of Port Authorities, a Virginia-based organization of 80 port managers. "If you've got to have a problem, it's the kind to have because it shows that things are really booming. It's a sign of prosperity," he said.

One day last month, 18 ships were waiting in the harbor for word from either port that dockworkers had been found to load or unload their cargo. Another day last week was more typical: The Long Beach port was operating at capacity, with 15 ships being serviced. But a Korean steel ship, two vessels from Japan and a Chilean freighter could not get stevedores that day.

Four delayed ships "doesn't sound like much," said McJunkin, "But it's a lot."

Added Stanley Westover, director of operations for the Long Beach port: "It has caused some ships to divert to San Francisco and Oakland, where there's an oversupply of longshoremen. We don't want to lose those ships."

Just now, however, not that many ships are choosing to detour, because of the high cost of trucking goods to Southern California from other ports. But shipping companies are not happy about the alternative: waiting and waiting and waiting.

LOSS OF REVENUE

"It means money," said Peter Pallas, assistant manager of Long Beach-based Williams Diamond Co., which handles port arrangements for about 85 ships a month. "Ships make money when they're working, not when they're sitting idle."

Aboard the Aniara, for example, the crew must be paid, meals must be served, fuel and electricity are consumed—at a cost of $24,000 a day, Sjoblom said.

"They could get delayed at Long Beach for two days and then get delayed in L.A. for two days," said Henry Noonan, an agent for the Fred Noonan Co. Inc. in San Pedro, which represents the Swedish vessel. "At $24,000 a day, at the end of the year, they could have made another half voyage."

The Pacific Maritime Assn. and the International Longshoremen and Warehousemen's Union, which supplies stevedoring companies with crews, are scrambling to increase the labor pool. Still, the dockworker shortage is expected to last at least several more months.

MacEvoy said the employers and the union anticipate that thousands will seek the 300 jobs to be advertised in local newspapers in coming weeks. But shifting through the applications will prove time-consuming, he said, especially because the two organizations settled a 1982 lawsuit by agreeing to hire women for 25% of all new dockworker positions at Long Beach and Los Angeles until 1997.

To ease the crunch, the maritime association and the union set up a day-labor hiring hall last week. One day shortly after the hall opened, about 175 workers were dispatched "and we could have used 100 more if they had been there," MacEvoy said. Another 60 full-time dockworkers will be transferred from San Francisco and other ports where business has been slow, he added.

He said the maritime association and the union were simply caught by surprise by a surge in cargo that began here about six months ago.

The number of ships calling at Long Beach and Los Angeles rose again in June. McJunkin said he originally believed then that shipowners were trying to get their cargo delivered before the union's labor contract expired June 30, in case of a strike.

"But that wasn't true," he said. Although a new three-year pact has been ratified, the port traffic has "remained unabated," he said.

The port is filled with frenetic activity these days. Dockworkers who remember working just two days a week in 1981 find themselves offered seven days of labor if they want it. Bob Collins, a stocky 47-year-old dockworker from Inglewood who said his income was $22,800 two years ago, expects to make $35,000 this year.

"But I'm extra tired," he added.

The stevedores drive forklifts carrying cartons of oranges and grapefruit bound for the Far East; they steer huge, bulky cranes to unload containers of computer parts and clothing for the U.S. Fenced yards are filled with steel—bundles of narrow pipe or rolls of sheet metal—and stacks of lumber. But, always, more work is waiting.

The only people who seem to take unalloyed delight in the cargo boom are the crews of the ships forced to wait. Usually the carriers steam across the sea, load or unload, and push right off again. The delays have given them a rare chance to explore Southern California.

Ships that anchor offshore, like the Aniara, charter water taxis to take the crew to town for the evening. Those that have found a mooring while they wait have even easier access.

"I have been most interested to see the Spruce Goose," said Capt. Joe Fujioko of auto carrier Toyofuji Number Seven, which stopped at Long Beach Berth 82 last week. The huge airplane, once owned by Howard Hughes, is not on display next to the Queen Mary. "I have been almost 20 times to Long Beach in 10 months," Fujioko said, "but there was no time to go to shore."

Though 2,500 Toyotas remained in his ship's hold while his agent searched in vain for stevedores, Fujioko was smiling. He sported a star stamped in yellow on his right hand—proof that he had paid admission that morning to visit the plane.●

NASA'S LONG-RANGE PROGRAM PLAN FOR SPACE SCIENCE

HON. WYCHE FOWLER, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. FOWLER. Mr. Speaker, earlier this session I introduced House Concurrent Resolution 217 and House Concurrent Resolution 218 to provide a long-term commitment to America's solar system exploration and astronomy and astrophysics programs respectively.

Recently, I received a copy of NASA's 1985 long-range program plan which contains a wealth of information about NASA's plans for the rest of this century and beyond. Included in the NASA report is information on the space station, space flight, satellite communications, commercial applications, and aeronautics. Of particular interest to me is the section on space science, a summary of which is reproduced below.

Our space science program has brought great value to our country at comparatively little cost and I hope that we in the Congress will continue to give this program our strong support.

Copies of the complete NASA long-range plan may be obtained by contacting Mr. Thomas W. Chappelle, Code LB, National Aeronautics and Space Administration, Washington, DC 20546.

EXCERPTS FROM NASA 1985 LONG-RANGE PROGRAM PLAN

STUDY OF THE DISTANT UNIVERSE

As a result of NASA's program in space astronomy and astrophysics during the past two decades, a new view of the universe is emerging; and new discoveries are being made at an astonishing rate. Rocket and satellite observations at ultraviolet wavelengths reveal the ejection by many types of stars of enormous amounts of material at high velocities. A revolution is occurring in knowledge of the chemical composition and physical state of interstellar gas and dust. Entirely new types of celestial objects are being discovered. Explosive events of unimaginable violence that occur routinely in the universe are being observed. Studies of the sun, fundamental to interpreting the distant universe, may provide the first look into that star's interior. For assurance that this revolution in understanding of the universe will continue at the same rapid pace, new observing capabilities are planned.

In the current Astrophysics program, several research missions are providing diverse information and measurements on the nature of the universe. While each mission has a particular objective, the data it acquires often may be augmented substantially by data from one or more other missions. For example, the objective of the Solar Maximum Mission is to observe solar flares, but data from several other missions add to understanding of flares on the sun and other stars.

The International Ultraviolet Explorer supplements the Solar Maximum Mission and is an important precursor to the Space Telescope. The Space Telescope, scheduled for launch in 1986 as a cooperative project with the European Space Agency, will serve for the next two decades as a major astronomy facility covering a range of ultraviolet and visible wavelengths. The Infrared Astronomy Satellite was launched in 1983 in cooperation with the Netherlands and the United Kingdom. Under development and to be launched within this decade are the Roentgen Satellite, a cooperative program with the Federal Republic of Germany to investigate many phenomena discovered by the second High Energy Astronomy Observatory; the Gamma Ray Observatory, to investigate the highest energy reaches of the electromagnetic spectrum; the Cosmic Background Explorer, to measure precisely the spectral and directional distribution of cosmic microwave background radiation; and the Heavy Nuclei Collector, to detect charged particles such as the rare, heavy nuclei of uranium. The program also includes extensive theoretical and laboratory research and investigations to be flown on Spacelab.

The major initiative to be begun through FY 1989 is the Advanced X-Ray Astrophysics Facility, which will advance x-ray astronomy into the mature observatory stage. It will be as significant an advance in x-ray astronomy as the Space Telescope will be in optical astronomy. Other initiatives planned for the FY 1985 through FY 1989 period are principally investigations of the structure of space and time and the structure of the sun, collapsed stars, and interstellar space. They include Gravity Probe-B, Shuttle Infrared Telescope Facility, Solar Seismology Mission, Extreme Ultraviolet Explorer, X-Ray Timing Explorer, Far Ultraviolet Spectroscopy Explorer, Solar Corona Diagnostics Mission, and several Spacelab investigations.

In the period between FY 1990 and FY 1994, two mature observatories will enter development. The Advanced Solar Observatory will make coordinated observations of all aspects of the surface of the sun to study the evolution of solar features and observe events that are especially revealing. The Large Deployable Reflector will investigate the processes of birth of celestial bodies. Other planned initiatives are the High Throughput Mission, Very Long Baseline Radio Interferometry, and Starprobe.

EXPLORATION OF THE NEAR UNIVERSE

The near universe includes all bodies in the solar system except the sun and Earth. Exploration of the near universe is vital to a full understanding of the relationship of Earth to the sun and other members of the solar system. Specific goals of the program are to understand the origin, evolution, and present state of the solar system; Earth through comparative planetary studies; and the relationship between the chemical comparative planetary studies; and the relationship between the chemical and physical evolution of the solar system and the appearance of life.

In the years since the first flyby of Venus, planetary exploration has experienced a golden age. It has brought new knowledge and established U.S. leadership in this area of space science. U.S. spacecraft were the first to visit Mercury, Venus, and Mars; and only U.S. spacecraft have crossed the asteroid belt into the outer solar system. All told, over tow dozen bodies—planets and their satellites—have been explored at close range; and the interplanetary medium has been partially characterized.

The current solar system exploration program consists of three parts: planetary research and analysis, development flight projects, and mission operations and data analysis. Research and analysis and mission operations and data analysis ensure program continuity toward exploration goals. Flight projects currently progressing are the Voyager 2 extended mission, which is headed for encounters with Uranus in 1986 and Neptune in 1989, and continued operation of Pioneer Venus, Pioneers 6 through 11, Voyager 1, and the retargeted International Sun Earth Explorer-3 spacecraft, which is on its way to an encounter with the comet Giacobini-Zinner. Approved flight projects in the pre-launch development stage include reflight of the OSS-3 Spacelab to observe Halley's Comet during its 1985 and 1986 flight through the solar system; Galileo (Jupiter orbiter and probe), which is a cooperative project with Germany; International Solar Polar Mission, which is a cooperative project with the European Space Agency; and Venus Radar Mapper, the first of the moderate-cost missions recommended by the NASA Advisory Council's Solar System Exploration Committee.

The Solar System Exploration Committee has recommended a core program containing 13 exploration missions to be undertaken by the year 2000. In support of that program, four new initiatives are planned for the next five years. They will establish firmly the exploratory phase of exploration in all regions of the solar system. The first is the Mars Geoscience and Climatology Observer, which is to be launched in 1990 to investigate that planet's atmosphere, surface geochemistry, interior, and climate on a global scale. The second is the Comet Rendezvous and Asteroid Flyby, which also is scheduled for launch in 1990. Its purpose will be to investigate the physical and chemical state of comets. The third is the Lunar Geoscience Observer scheduled for launch in 1991 to assess lunar resources and to extend the Apollo program's science investigations to a global scale. The fourth is the Titan Probe and Radar Mapper, to be launched in 1993 to investigate the largest of Saturn's satellites, especially its unique, dense atmosphere.

The Committee also has recommended addition of one or more intensive study missions during the 1990s as resources then available permit. The core program was formulated under the constraint that no new enabling technologies be required for implementation. In contrast, the augmentation initiatives will require significant new enabling or strongly enhancing technologies.●

REAGAN'S SAFETY NET SAGS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. VENTO. Mr. Speaker, the focal point of this election year has been and will continue to be the Reagan record and the effects of his policies. Charges and countercharges will be made and answered. In the midst of this rhetoric, several facts are clear.

Now, nearly 4 years after a complete reshuffling of our national spending priorities, our Government spends $1 for every 80 cents we receive in taxes. As a result of the misplaced administration policies, the Federal Government must borrow a half billion dollars a day to stay afloat in the rising sea of red ink.

Compounding the failure of Reaganomics are the unfair effects and the shifting of burdens on the U.S. population. The poor and middle class Americans are paying for the mistakes and special interest policies of the President. In its recent study, the "Reagan Record," the highly respected Urban Institute demonstrated a shift in average disposable income from the poor to the wealthy.

Too often the impacts of national policy are cloaked in the anonymity of statistics. Make no mistake about it, the policy decisions of this administration have hurt the American people, from the mother who is punished for working to the unemployed seeking training for a new occcupation.

At this time, I would like to draw my colleagues' attention to an article by Mr. Steven Thomma which recently appeared in the St. Paul Pioneer Press. Mr. Thomma provides a thoughtful insight into the plight of individuals. The article probes the depth of the problems created by the Reagan shift of priorities in terms of statistics and the devastating human side. The role of private charities is also addressed.

I hope this excellent article will provide insight to my colleagues and create an environment in which reordering our programs in a fair manner will become a priority.

The article follows:

[From the St. Paul Pioneer Press, Aug. 12, 1984]

REAGAN'S SAFETY NET SAGS—IT'S NOT A SOFT LANDING FOR MINNESOTA'S WORKING POOR

(By Steven Thomma)

Cathy Steadman could make more money sitting at home. Almost daily, friends ask her if this will be the day she quits working and starts collecting welfare.

Rebecca Glagavs tried working once but found it wasn't worth it. She had to work nights and seldom saw her three children. Now, she wants to work but can't get the training needed to find a good daytime job.

For a half century, the nation has maintained a safety net of welfare programs intended to keep people fed, housed and healthy. During the last 3½ years, President Reagan has rewoven that net with budget cuts and policy changes.

For most Americans, the safety net remains largely intact. But critics say that the net has sagged closer to the ground because of Reagan cuts.

In a recent study, Princeton University professors Richard Nathan and Fred Doolittle said that—in many areas—the effect of the Reagan budget cuts "was not as big as the public reaction would seem to suggest . . . nor was it lasting."

But the two scholars said that "the biggest exception" is welfare, where Reagan's 1981 cuts and changes had a major impact and remain largely in effect. "These cuts have been concentrated on one group, the working poor," they added.

In Minnesota, Steadman and Glagavs are representatives of people stuck between welfare and better lives, wanting to support themselves but unable to move up the economic ladder.

Steadman, 24, a mother of three from New Brighton, has been affected by Reagan administration changes in welfare policy that all but preclude full-time workers from receiving any assistance through Aid for Families with Dependent Children.

Working as a secretary, Steadman takes home $592 a month. If she stayed home and collected AFDC, she would receive $611 a month.

"My friends are telling me what a fool I am for still working," Steadman said, "I don't know why I keep going to work. Every day people ask me if this is the day I'm going to quit . . . It's not fair."

Glagavs, 37, of St. Paul, a divorced mother of three, found her nighttime office-cleaning job limited the hours she had to spend with her children. And the loss of welfare benefits took away the financial incentive to work, she said.

Still wanting to work and to improve her children's lives, she went to the government in search of job training that would enable her to get a daytime job, support her family and get off welfare. But she was rejected because there simply isn't enough money to train everyone.

"I don't know much about government," Glayavs said, "but the whole AFDC situation, well, they don't make it worth your while to go out and work. It's a crazy system; it's self-defeating. You end up paying to work, with bus fares and sitters and losing AFDC."

Interviews with welfare managers and clients and analyses of spending policies indicate that—despite the budget cuts and policy changes introduced by the Reagan administration—the welfare rolls in Minnesota remain full. And federal welfare spending in Minnesota has increased since Reagan took office.

However, federal spending has grown at a slower rate than inflation, as has state spending. And the ranks of the working poor have grown, according to local welfare managers.

Revisions in national welfare policy are emerging as a key presidential debating point. Reagan and his fellow conservatives point to an improved economy as helping all Americans. They point out that welfare spending has still increased, albeit at a much slower pace. And some suggest Reagan saved welfare from itself.

"It was FDR (Franklin D. Roosevelt), the left-winger, who saved capitalism," said Robert Anderson, staff director for the Independent-Republican caucus in the Minnesota Senate. "I think Ronald Reagan will be the right-winger who saved welfare."

Presidential candidate Walter Mondale and his fellow Democrats hit Reagan on what they call "the fairness issue." Statistics showing more people working, and fewer unemployed, tell a limited story, they say. More people are working poor and more people are suffering, they say.

"There may be an economic revival, but it's not hitting these people yet," said Roy Garcia, director of community and government affairs for the United Way of the St. Paul Area.

Dramatic changes in welfare stem from the Omnibus Budget Reconciliation Act of 1981 that Reagan pushed through Congress. In one move, Reagan sought to reverse social trends rooted in the Great Depression and Roosevelt's New Deal.

"In 1933, the government took responsibility for the poor away from the church," says a poster hanging on the office door of a Minnesota state senator. "In 1981, it gave it back."

Reagan argued that he was not cutting spending, only paring back automatic increases. Indeed, federal spending for Medicaid in Minnesota went from $378 million in the 1981 federal fiscal year to $453 million in the 1983 fiscal year, the last year for which figures are available. It would have gone up an additional $47 million under pre-Reagan policies.

Federal spending for AFDC in Minnesota also increased, but only slightly—from $116 million in 1981 to $117.8 million in 1983. It would have increased an additional $11 million under pre-Reagan policies.

The president proposed that the states should do more, that charity should do more.

"There is a growing awareness by the states that this is the direction," said Bill Brown, Minnesota's deputy commissioner economic security. "If the states want to engage in these activities in support of their citizens, the federal government is going to look to the states" to finance the programs.

Those first cuts, however, came in 1982 as the nation dipped into a recession.

"The federal cuts came at the same time the state was having financial problems of its own," said state planner Tom Harren. "It didn't have the resources to pick up those services."

As the recession ebbed, Minnesota had a little more leeway in deciding whether to pick up the federal slack. But with the Perpich administration forecasting a 15 percent budget increase over the next two years, the priority is tax relief and restraint.

"I've been doing budgets since 1975," said Nellie Johnson, state budget director. "There was a philosophy of unlimited funding coming in. The states just kept applying for federal grants. There is a feeling that, because it's federal money, it's not real money. But it is our money.

"The Reagan cuts forced us to step back and decide where we wanted to contain costs," she said.

Minnesota will get an extra funding in both 1986 and 1987 in federal matching funds for welfare and medical assistance programs to make up for heavy expenditures during the state's economic slump from 1981 to 1983.

The increases are due because Minnesota slipped below the national average per capita income in 1983 for the first time in years.

When the federal government changed its policies for AFDC, the state could have maintained a more generous position on its own, if it were willing to absorb the additional cost.

"That's like whistling while you walk by the cemetery," said Robert Gibbon, director of income maintenance for Ramsey County. "Nobody will listen."

Attempts to raise AFDC spending across-the-board were rejected by the federal government.

AFDC

For a woman like Cathy Steadman with three children, the AFDC standard monthly allowance is $611. The allowance is reduced by total monthly salary.

In order to encourage AFDC recipients to work, the program does not deduct all income from the amount of the welfare check. Like income tax forms, AFDC allows recipients to reduce their income with deductions.

Those deductions include up to $75 a month for work expenses like transportation, up to $160 a month for day care costs, and a little more than a third of all income for four months.

Until Reagan took office, welfare clients received credit for all work expenses and all day care costs, and the income deduction for an unlimited period of time.

Cutting those deductions pared back the incentive to work to increase the family's income, according to welfare managers.

"The immediate effect was to eliminate almost all full-time employees from the AFDC rolls," Gibbons said.

Ramsey County AFDC Director Gail Stremel said there used to be 2,500 full-time workers in Ramsey County receiving checks. Now there are fewer than 200.

"You skim off the people who can cope," Stremel said. "They are the working poor."

"We have people without medical care, people who can't pay their NSP bills, who cannot keep their cars running," Gibbon said. "Can we help them? Our program is pretty rigid."

Reagan policies had a lot to say about eligibility and the amount of each check written under AFDC.

The average AFDC monthly check in Minnesota rose from $319.40 in 1981 to $378.81 in 1983, a 7.8 percent increase after inflation. But in 1983—in the midst of a recession—138,472 Minnesotans received checks, 10,000 fewer than in 1981.

In 1982, the first year of Reaganomics, the total number of AFDC recipients in Minnesota dropped to 133,000 or 15,000 fewer than in the previous year. But the combination of the 1983 recession and congressional action restoring some of the budget cuts sent that number climbing again.

While welfare managers lament the restrictive AFDC policies, they said the basic need is being met. "I don't think we have a lot of people going hungry here," said Gibbon.

"It's difficult to assess whether it's been detrimental," budget director Johnson said. "Many have found other employment. There is some contention that those jobs are at the low end of the pay scale . . . You see more people on the edge, the working poor. They're barely making it."

"That form of fiscal restraint may have been healthy," Johnson contends. "It was healthy to step back and reassess."

In addition to changing the rules, Reagan cut the federal share of the AFDC bills. In 1981, the bill was split up 55.64 percent federal, 37.71 percent state and 6.65 percent county. Today, that split is 52.67 percent federal, 40.23 percent state and 7.1 percent county.

In the 1982 fiscal year, the first affected by Reagan's budget cuts, total spending for AFDC in Minnesota dipped to $193 million from $208.5 million in the previous year. It climbed in the 1983 fiscal year to $216.5 million, which was $11 million below what spending would have been under pre-Reagan policies.

JOBS

The federal government has helped train people for jobs since the 1930s, according to Christine Larsen, executive director of the State Job Training Office. That policy culminated in the Comprehensive Training and Employment Act, a program started in 1974.

"The money was dumped into the system without much thought to the purpose," Larsen said. "But Minnesota did it well."

CETA provided both jobs and training programs. Many of the jobs were in government itself, but the program soon was criticized for fraud and abuses. Many local governments soon depended on using CETA employees to ease their own budgets.

People going to classes for training received money to pay their expenses. Those expense payments were unlimited.

Reagan eliminated CETA, replacing it with the Jobs Training Partnership Act. CETA had a pre-Reagan budget of $83.4 million in Minnesota. In fiscal year 1983, the JTPA had a Minnesota budget of $40 million. In 1981, CETA gave jobs to or trained 46,453 Minnesotans, about a tenth of those who met the income eligibility requirements. In 1983, 32,908 were trained by the JTPA.

"CETA was perceived to be a welfare program," Larsen said. "We need to develop a position that this is helping people help themselves. This is helping people to be self-sufficient; keeping them off the welfare rolls. One way or another, we pay the bills."

With a changing economy eliminating many traditional industrial jobs, and welfare changes making it difficult to keep a low-paying job while keeping welfare benefits, the demand for new job skills is constant.

But limited money forces bureaucrats to weed out many needy people from the program. For instance, Larsen said, a person with day-care expenses and transportation costs is less likely to receive JTPA training than someone without those expenses.

And with new limits on those expenses, many people cannot afford the weeks or months of training necessary to develop a new skill and get a better job, Larsen said.

"In the short term, they have to take a low-paying job, often at minimum wage," she said. "They're just over the poverty line."

On the Iron Range, Larsen said, steel jobs are disappearing and laid-off workers trained only to work the mines cannot find other work.

"They're losing their cars, houses, all of their resources, getting down to the level where they're becoming part of the welfare system."

Minnesota attempted to make up for some of the federal cuts when it implemented the $100 million Minnesota Emergency Employment Act. But that is a short-term program, Larsen said, providing only $4-an-hour jobs and no significant training.

The loss of federally-financed jobs in local government means service reductions, according to the union that represents public employees.

In transportation we have the same size work force as in the 1960s, while the amount of highway (miles) has increased God knows how much," said Eliot Seide, area director of the American Federation of State, County and Municipal Employees.

AFSCME's roster in Minnesota totals 16,700 today, down from the peak of 18,646 in 1981, Seide said.

MEDICAID

One area where Minnesota was able to pick up the slack and soften the Reagan cuts was in Medicaid, the program picking up medical bills for the needy.

The federal share of medical bills reached a peak in 1976, when Uncle Sam paid nearly 57 cents of each dollar's worth of medical bills. The states paid nearly 39 cents and counties paid the remaining 4 cents.

During the last decade, Medicaid bills grew at an annual pace exceeding 20 percent. Faced with those spiraling costs, Reagan cut the federal share of the bill and threatened to cut it even more unless states drew in the reins on spending.

"The state has great latitude," Johnson said. "The state sets reimbursements for nursing homes, hospitals—decides who is medically needy. Minnesota offers one of the most extensive service lists in the country."

Reagan cut the federal share in late 1981 to about 54 cents of each medical dollar. His plan cut that share further to a little more than 53 cents for states that failed to contain medical costs.

"It was tied to a target level of spending," said George Hoffman, a statistician for the state Human Services Department. "If the state held down costs, the federal government would pick up the normal share."

Minnesota has sought to hold down medical costs, especially at nursing homes. Caring for the needy in nursing homes represents three-fifths of the annual Medicaid bill in Minnesota. Legislators in 1983 imposed a moratorium on new nursing home beds and approved other economy moves.

But keeping medical cost increases within the federal target of 7.5 percent a year was too much to ask—even for Minnesota.

"The state wasn't able to do that without making a drastic cut in the program," Hoffman said. "The Legislature historically has not been willing to make that kind of cut . . . It wasn't possible . . . The Legislature made what cuts it could for the sake of the state's own budget."

There is more pressure to maintain high-level funding of Medicaid, Princeton's Nathan and Doolittle suggested, because "the threat of turning the aged poor into the streets has proven to be effective in obtaining additional funds."

Keeping the number of people cared for under Medicaid fairly constant at about 325,000 a year, and offering the full range of medical services, has cost Minnesota a lot. The state's share of the bill has been increasing as the federal share has been cut each year.

Federal penalties cost the state $8.7 million in the 1982 federal fiscal year, $18.9 million in the 1983 fiscal year and an estimated $22.4 million in the current fiscal year.

CHARITY

As Reagan cut welfare spending and asked the states to do more, he also asked citizens to do more. Charity should have a more dramatic place in the home than in the government, the president said.

Contributions to charity have increased in Ramsey County, but so have requests for that money.

"It has a certain impact on peoples' willingness to give," said Joseph Haggerty, executive vice president of the United Way of the St. Paul Area. "People say, 'Yeah, I want to give more,' but they also want a tax break."

In 1983, contributions to the United Way increased 9 percent. At the same time, the United Way cut its funding of such programs as Girl Scouts and Boy Scouts while increasing financing of social service agencies.

"The (social service) need should be decreasing," Haggerty said, "but the demand is still high."

The United Way's Garcia said, for example, that the working poor are turning to community food shelves because they no longer are eligible for Food Stamps.

IMPACT OF REAGAN BUDGET CUTS IN MINNESOTA

	1981	1983	Change (percent)	Change after inflation (percent)	1983 (if no cuts)
Aid to families with dependent children:					
Total cost	$208,500,000	$216,500,000	+3.9	−6.9	$227,400,000
Federal	$116,000,000 (55.6%)	$117,800,000 (54.4%)	+1.5	−9.3	
State	$78,600,000 (37.7%)	$84,000,000 (38.8%)	+6.8	−4.0	
County	$13,900,000 (6.7%)	$14,800,000 (6.8%)	+6.8	−4.0	
Recipients	148,540	138,472	−6.8		
Average check	$319.40	$378.81	+18.6		+7.8
Medicaid:					
Total cost	$679,900,000	$868,100,000	+27.6	+16.8	$915,300,000
Federal	$378,300,000 (55.6%)	$453,200,000 (52.2%)	+19.8	+9.0	
State	$271,400,000 (40.0%)	$373,400,000 (43.0%)	+37.5	+26.7	
County	$30,200,000 (4.4%)	$41,500,000 (4.8%)	+37.4	+26.6	
Recipients	324,008	326,355	+0.1		
Jobs:					
Total cost [1]	$83,400,000	$40,000,000	−52.0	−62.8	$112,800,000
Recipients	46,573	32,908	−29.3		

[1] All Federal dollars.

Sources: Minnesota Finance Department, Minnesota Human Services Department, and the American Federation of State, County and Municipal Employees.

FEDERAL AID TO MINNESOTA

Area	1981	1983	Change (percent)	Change after inflation (percent)
Community economic development	$116,755,000	102,850,000	−11.9	−22.7
Natural resources and environment	92,214,000	59,673,000	−35.2	−46.0
Transportation	217,558,000	238,714,000	+9.7	−1.1
Energy	5,708,000	1,653,000	−71.0	−81.8
Education	140,668,000	123,822,000	−11.9	−22.7
Human services	894,337,000	964,024,000	+7.8	−3.0
Other	93,332,000	84,533,000		
Total	1,560,572,000	1,575,269,000	+0.9	−9.9

Note.—The inflation rate for this period, 10.8 percent, is for the Twin Cities area.

Source: Minnesota Finance Department.●

DOMESTIC COPPER INDUSTRY IN DIRE STRAITS

HON. ELDON RUDD

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. RUDD. Mr. Speaker, the copper industry is in dire straits. Almost 40 percent of all domestic copper workers have lost their jobs in the last 5 years.

Fifteen of the twenty-five largest U.S. copper mines are closed, while 20 others are partially closed or operating below capacity.

Between 1979 and 1983, U.S. mined copper and refined copper production decreased by 30 percent and 15 percent respectively.

Current U.S. inventory of copper is 36 percent of annual domestic consumption.

Real copper prices are at their lowest level since the Great Depression.

We know the cause—unfair foreign competition—and we have the remedy—temporary import quotas and tariffs—but we have yet to act.

Within the next several weeks, the President will decide whether or not to adopt the recommendations of the International Trade Commission which unanimously found that the American copper industry has been injured by subsidized foreign copper imports.

American copper workers are ready and eager to compete in a free market. But the industry must be given a chance to recover from the unfair trade practices which have forced it to its knees. It can compete and will do so effectively if we ensure that competition is fair. I urge my colleagues to support the ITC's recommendations and urge their adoption to the President.

I would also like to share with my colleagues a letter written by a constituent of mine, Mr. C.J. Hansen, who makes clear the hopes and aspirations of American copper workers who want to compete, as well as the barriers which have been raised to prevent open competition.

I ask unanimous consent that Mr. Hansen's letter be printed in the RECORD at this point:

ARIZONA MINING ASSOCIATION,
August 20, 1984.

HON. RONALD W. REAGAN,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: I have reviewed with care the findings and well-researched facts submitted to you by the U.S. International Trade Commission regarding its investigation (No. TA-201-52) on the economic impact of basic copper imports into the United States.

Somehow, this mass of factual material fails to convey the true impact of how this overabundant foreign production has dislocated one of Arizona's principal industries, disrupted many communities, destroyed numerous business ventures, both large and small, and has adversely affected the daily lives of thousands of people who share your views that a good living should be something that can be earned in the American tradition of hard work. The opportunity to do that has been denied to more than 13,000 of our Arizona citizens because of the freedom foreign governments in South America and Africa have to invade our domestic market with excessive amounts of copper that have depressed market prices to a point far below the barest costs of production for our U.S. copper mines.

Mr. President, this is not a situation that involves luxury or consumer goods such as video devices that the people of America could easily do without in a time of national emergency. What is at stake here is the survival of a basic and essential national resource. An assured source of adequate copper production, within our borders, is vital to the defense of this nation and the needs of its people. This was demonstrated both in World War II and the Korean Conflict when the Federal government sponsored incentive programs for new copper production and the mining industry responded in admirable fashion.

Mining people are proud of the contributions they have made, both in war and peace. This is an industry born in the hardship of frontier days when miners had to combat Indian attacks as well as the vicissitudes of Mother Nature and the difficulties in living in isolated locations of the West. What they did, and many of them died doing, was establish the basis for America's copper industry. While 175-ton trucks have replaced the burro and conveyor belts have taken the place of hand-trammed mine cars, the American copper industry today still bears the stamp of their heroic ancestors, people with great ingenuity and energy, willing to risk their capital and professional livelihood on their ability to wrest success from the ore deposits left to us in the Western States.

Mr. President, these are not the type of people who go hand wringing and hat in hand to the Government seeking some undeserved advantage or edge. U.S. Copper miners relish challenge and they have strong faith in their ability to compete with anyone, anywhere. However, they are now confronted with a situation not of their own making, and one over which they have no control. Free trade or fair competition they can cope with, but we have to recognize that what has developed in the world copper market is neither free nor fair. The governments of those South American and African nations will continue to dump copper upon an already oversupplied market regardless of price or demand considerations. They have absolutely no regard whatever for the ordinary restraints of international commerce. This is why I have characterized their abuses as "outlaw activity" on the world market. These nations do not deserve the type of friendly concerns we ordinarily extend to other nationalities endeavoring to market their basic products on an international level.

Also, Mr. President, I believe that your Administration, and the Congress, must concede the bitter fact that much of the copper industry's present distress is due to internal knife wounds, much of those inflicted upon Caesar by his colleagues. We have watched in stark disbelief while the Federal authorities have allowed our tax dollars to be paid out by the International Monetary Fund, the World Bank, and other international lending agencies to finance new and expanded copper production in nations such as Chile and Zaire when the economics of more copper production made less sense than socks on a rooster. (My doctor does not allow me to discuss Treasury's decision to convert the penny mintage from copper to zinc.)

Another example is the Clean Air Act, which we have been unable to have moderated to meet some legitimate concerns. Much of the economic burden now imperiling the viability of U.S. mining companies stems from the tremendous financial burdens inflicted on copper smelting companies to install control systems that often were beyond the true needs of reasonable air quality. In Arizona alone, our companies have spent nearly $700 million for these control measures. It is money that has to be borrowed, it means debt that has to be serviced, and none of it provides more production or improved plant efficiency.

Perhaps the final straw to many of us was last week's approval by the House of Representatives of a $30 per ton tax on refined copper as a part of the superfund bill. Refined copper is about as toxic as a popsicle, and it is difficult for us in the industry to understand why the Congress wants to impose another financial burden on an industry that is in such severe distress.

Mr. President, my final message to you is that more than 13,000 families in Arizona have been deprived of their livelihood through no fault of their own, but by policies of our own Federal Government that have allowed their jobs to be eliminated in favor of certain foreign nations, none of which is particularly friendly to or supportive of the United States.

You now have an opportunity to do something to correct this situation. Please take the appropriate action and impose import quotas on foreign producers of copper.

Sincerely,

C.J. HANSEN.●

SOCIAL SECURITY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 22, 1984, into the CONGRESSIONAL RECORD:

SOCIAL SECURITY

This session of Congress has been a good one for older persons. The major social security amendments did not require retirees to make disproportionate sacrifices; the changes in medicare dealt largely with providers of services; other programs for older persons were hardly touched by budget cutters; the Older Americans Act was renewed in both the House and Senate; the Senate has passed, and the House should pass, legislation to make a social security cost-of-living adjustment (COLA) next year. Yet in almost every public meeting that I hold in the Ninth District, older persons voice their concern about what will happen next session. The major worry: cuts in social security.

The concern is not totally unfounded. Only a few months after the 1983 social security amendments were signed into law, people were claiming that the trust fund might fall short before 1990. Budget cutters have been eyeing the $180 billion that is paid out annually to social security beneficiaries. The President says that he will look at entitlement programs for ways to trim the deficit, and he talks of "revamping" the social security system. The Secretary of the Treasury says that we must "revisit" social security later in this decade to examine benefits.

Most older persons with whom I speak are just getting by as is, and the talk of cutting social security frightens them. For two thirds of those 65 years of age or over, social security is the major source of income. One fourth of all retired people depend on social security for 90% of their income. These older persons should know that despite two big problems—the alleged instability of social security and the huge federal deficits—benefits are more secure than one might think.

In the first place, the latest estimates indicate that the basic social security trust fund should be able to pay out benefits on time for many years to come. A report issued by the social security trustees in April stated that the trust fund will have a small surplus through 1988 even under pessimistic economic and demographic assumptions. After that, it will begin to pile up big surpluses at least through the year 2020. The report found that social security is actually in better shape than was expected last year, mainly because the economic recovery has been stronger than anticipated. Moreover, even if things do go wrong with the economy, a "stabilizer" built into current law will be automatically triggered: the COLA would temporarily be based on consumer price increases or wage increases, whichever was lower. The idea is to guard the system against another imbalance like that of the 1970's, when prices outpaced wages and disproportionate increases in benefits threatened the system. This does not mean that nothing can go wrong; it means that for a short-term problem to develop, there would have to be a severe recession, not just a minor deviation from current pessimistic projections. For the foreseeable future, no reform appears to be needed to shore up the system.

The other major threat to social security is posed by budget cutters. The person who is elected President in November will have to take steps to lower our unacceptably high federal deficit. The deepest budget cuts in recent years were made in programs for the poor. To spread the sacrifices around, budget cutters are looking at programs that benefit the middle and upper class, of which social security is the largest. Social security and other programs that have no means test pay out $4 for every $1 that goes to the poor by way of means-tested programs. Because social security benefits constitute 20% of the federal budget, they constitute a tempting target for budget cutters.

The threat, however, is not as great as many older persons believe. Deficit-cutting proposals range from narrow modifications in social security's COLA to a fundamental overhaul of the system. Since an overhaul generally would not be considered except to avert a crisis, interest is instead being focused on reducing the automatic growth in social security spending in a way that maintains the purchasing power of benefits during retirement. One possibility is to change initial benefits. Another is to focus on the COLA. The latter possibility is favored by some because modifying the COLA is technically simple and it would not entail actual benefit cuts, just smaller benefit increases. Also, it could save much money, because COLA's account for more than 60% of the growth in the entitlement programs.

Plans to modify the COLA include another delay for several months and the imposition of a fixed cap, such as two or three percentage points below the Consumer Price Index. However, the major problem with these two plans is that they would cause significant hardship for lower-income beneficiaries. The oldest and the poorest would be especially hard hit. One estimate is that the COLA less three percentage points would throw one million older persons into poverty over the next several years.

The plan getting the most attention gives the full COLA to all social security beneficiaries, but would tax away a portion of the increase for high-income retirees. For example, about one third of all elderly households have incomes in retirement exceeding 25,000 per year. Supporters of this plan argue that individuals who are not so dependent could get along fine even if their benefits were slightly trimmed back.

It is by no means certain that plans to reduce the growth in social security spending will be adopted in the near future. What is certain is that the most serious threat to benefits is far less a threat than many older persons believe. No revisions seem to be needed to protect the system from near-term shortfalls, and a resolution of the major problem posed by high deficits would result only in a trimming back of future increases in benefits for the wealthy.

In the past, Congress has demonstrated a strong resolve to protect the social security benefits of the millions of retirees who depend so heavily on them. It can be expected to continue to do so.●

H.R. 4681

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOKS. Mr. Speaker, two editorials which recently appeared in Colorado newspapers aptly argue the need for the House to pass H.R. 4681, the Federal Polygraph Limitation and Anti-Censorship Act of 1984. These articles are "A Fight Against Secrecy," from the Denver Post, August 28, 1984, and "House Should Get on Record Against Censorship," from the Rocky Montain News, August 26, 1984. The bill is presently pending on sequential referral until September 21 before three committees of the House—the Armed Services and Judiciary Committees which have scheduled hearings—for September 6 and 12 respectively, and the Select Committee on Intelligence. It will then be ready for floor consideration.

I commend these articles to my colleagues:

A FIGHT AGAINST SECRECY

The Reagan administration triggered a damaging political uproar last year when it tried to impose lifetime censorship on thousands of federal employees. It now seems close to accomplishing the same goal more quietly.

The censorship controversy dropped out of sight for a while because many people assumed the administration had abandoned the secrecy drive when it withdrew the controversial rules last Feb. 14. But, in fact, it has continued soliciting secrecy pledges based upon earlier rules introduced in 1981.

At least 120,000 federal employees already have been forced to sign written agreements, pledging to submit for censorship any speech, article or book they produce that concerns "intelligence sources or methods" of intelligence gathering, according to a General Accounting Office study. More than 10,000 additional employees of private firms doing business with the government have been subjected to the same agreements.

Denver Rep. Pat Schroeder, chairman of the House Civil Service Committee, prompted the GAO study and remains in the forefront of the fight against the administration's struggle to gag its own employees. But time is running out in the struggle against spreading secrecy.

Schroeder's main weapon to blunt the censor's scissors has been H.R. 4681, which prohibits such mass prepublication review regulations. The bill also bans most uses of polygraph examinations against employees, except in investigations of criminal wrongdoing.

There are, of course, areas in which the government legitimately must be able to keep secrets. Schroeder's bill recognizes that fact by exempting the National Security Agency and Central Intelligence Agency. But it also recognizes that the "secret" stamp has been greatly abused throughout the government to shield routine acts of bureaucratic bungling and administrative incompetence.

Even more ominous was the administration's proposal for mass polygraph tests—including some aimed at employees not suspected of any specific wrongdoing but merely chosen at random. Such wholesale, unfocused mass testing is a dangerous abuse of the polygraph, which is a legitimate investigative tool under more carefully controlled circumstances. Mass polygraph testing, with its inevitably high error rates, will falsely brand thousands of honest federal employees as perjurers—and terrorize the rest into telling the public as little as possible.

Schroeder has good government and common sense on her side in this fight—but not the clock. Though her bill won approval from the Post Office and Civil Service Committee on Aug. 6, three other committees have asked to look at it to consider adding exemptions for their own fields: Armed Services, Judiciary and Intelligence. H.R. 4681 won't emerge from those committees until Sep. 21—when there will be just two weeks left of the legislative session.

Even if the anti-censorship bill makes it through the House in the frantic closing days of the session, no parallel legislation has been introduced in the Senate. That makes its odds of passage grim indeed—and if no law is passed this session to block it, the quiet censorship program will roll on unchallenged and increasingly entrenched.

The fight against government secrecy is too important an issue to die such an unnoticed death. We urge the House to give full swift approval to H.R. 4681 and urge Colorado Sens. Bill Armstrong and Gary Hart to then take the lead in nursing it through the Senate.

HOUSE SHOULD GET ON RECORD AGAINST CENSORSHIP

The Congress is running out of time on legislation that would counter the Reagan administration's attempts to dam the flow of information to the public. Even so, House passage of H.R. 4681, also known as the Brooks bill, would make it clear that when the new Congress convenes in January, it has some unfinished business.

The bill is a response to National Security Decision Directive 84, issued in March 1983 by the Reagan White House.

The order requires hundreds of thousands of government employees to take polygraph tests even though they are not suspected of any wrongdoing and are not part of any specific criminal investigation. The tests could be used as fishing expeditions to see whether an employee had leaked information to the press or the public.

That same order would require federal employers, whose knowledge about the inner workings of government can and often does reveal ineptitude and even criminal behavior, to submit any writings, in advance of publication, to agency officials, who then could "examine, alter, excise or otherwise edit or censor such information before it is publicly disclosed."

It's a safe bet that most whistleblowers would swallow their whistles.

Even though Congress pushed back implementation of the order in order to study and consider legislation prohibiting it, thousands of employees already have been required to sign the agreements. That should put added pressure on Congress to prohibit the practice.

The Brooks bill limiting these two provisions of the directive exempts the CIA and the National Security Agency. That's reasonable. But it holds, as we do, that lifelong censorship undermines the First Amendment premise that an informed public is the foundation of a free society.

The Committee on Post Office and Civil Service, which favorably reported the bill, found prepublication review "to be deleterious to open, informed public debate about government policy, subject to arbitrary and politically motivated enforcement" and a serious administrative burden.

The committee, headed by Colorado's Rep. Pat Schroeder, also has concerns about the reliability of polygraph tests and their violation of personal privacy. The bill would permit such tests only as part of a specific investigation of alleged criminal conduct.

These limits seem to be a proper and restrained response to one of the most blatant censorship orders ever to come down Pennsylvania Avenue. The bill should have passed months ago. Instead, three other House committees have requested sequential review pushing any action by the full House past Sept. 21, just two weeks before Congress adjourns. Because there is no companion legislation in the Senate, the most the House can do is set the stage for fresh action in the new Congress. It shouldn't do less.

The potential for government abuse of secrecy and censorship is great enough to give Congress pause about such broad impediments to free speech. In that pause, the House should pass the Brooks bill.●

COMMUNITY COLLEGES AN ASSET TO EDUCATION

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. SIMON. Mr. Speaker, I want to call to the attention of my colleagues a recent article in the Chicago Sun-Times by Burton S. Odelson who is chairman of the board of the Moraine Valley Community College in Illinois. Mr. Odelson's excellent article describes the important role by community colleges in my home State—as an access point for higher educational opportunities for many students who may not be prepared for college work after high school and as the trainer and provider of the necessary skills for new careers and job opportunities in high technology and other high demand areas.

I am especially proud of the role being played by the community colleges in Illinois. As a member of the State legislature, I authored the bill establishing Illinois' community college system. That system is a strong and proud example, which has been followed by many States in creating their own community college systems. Higher education would not have survived the decline in enrollment among the 18- to 22-year-old student population, over the past 10 years, without the new programs and unique educational opportunities created for older, nontraditional students by community colleges.

I hope that my colleagues will take the time to review Mr. Odelson's article.

COMMUNITY COLLEGES AN ASSET TO EDUCATION

(By Burton S. Odelson)

It seems as though you can't turn anywhere these days without encountering the assault on the quality of public education in America.

Whether it's dire warnings from a national commission that a "rising tide of mediocrity" is threatening to drown public-school students or presidential candidates arguing about the solutions, the confidence we have in our schools is being undermined by negative news.

A shaky confidence in our own ability to educate our children is not new.

Since 1957, when the Soviet Union launched its Sputnik and the United States responded by fortifying math and science, Americans always have compared and fretted about how our system stands up to the world.

Are we competing or being beaten by other nations that have discovered more effective ways to educate their offspring? Are we meeting the needs of our own country while producing tomorrow's world leaders?

Simply, do our students and our schools have the "right stuff" to face the challenges of the future?

There is no place where the answers are more evident than in the community college, a portion of the American educational system that has emerged as a testament to American practicality and excellence.

Melding the concept of good, basic, affordable education with responsiveness to the community it serves, this country's community colleges are a model of all that's right with our public schools today. In Illinois last fall, some 387,822 took advantage of this unique educational opportunity by enrolling in classes at the state's 52 community colleges.

The success of this state's community college system is an easy success to document.

Why, then, are community colleges such good models?

The answer, in part, might lie in their adaptability.

As priorities in higher education shift from simply educating a student to educating the student and teaching him marketable job skills, community colleges have been quick to respond with vocational courses and practical job training that is accessible to nearly every member of the community.

Indeed, community colleges have initiated programs through the help of the state Commerce and Community Affairs Department and in cooperation with members of the General Assembly.

The passage of a $6.9 million appropriation to build a high-technology center at Moraine Valley Community College is an example of how college officials, community leaders and local members of the House and the Senate, along with the governor, helped begin a new chapter in job training and placement in the southwest corner of the area.

Likewise, community colleges have been quick to respond to the needs of the so-called alternative students, who need help with basic skills like reading, before they can enroll in college classes.

Many community colleges offer entire programs of developmental education for these students, endeavoring to teach them to read and write, in preparation for college-level classes.

It's these developmental students who have so easily fallen through the cracks before, labelled as uneducable and ending up in unemployment lines and state welfare rolls.

Finally, community college officials have been quick to recognize the need for a strong working relationship between the college and the community.

The system has been quick to establish job-training programs, cooperative economic-development studies and other relationships with local officials and businesses to ensure the economic health of the communities they serve.

The answer might also lie in the fact that community colleges serve such diverse segments of the population.

The programs offered must serve the needs of students ranging from recent high school graduates planning to transfer to four-year colleges, to returning adults and senior citizens.

Faced with this wide range of needs, community-college officials had little choice but to serve the population, or fade away.

But more importantly, the success of the community college lies with the students who make it such a viable institution.

Americans always are looking for good values. Community colleges represent a good educational value in times when the money for education is limited.●

A TRIBUTE TO A BUSINESS SUCCESS STORY

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. PORTER. Mr. Speaker, on September 6, 1984, the Walgreen Co., which is headquartered within my district in Deerfield, IL, will be celebrating the grand opening of its 1,000th drug store. This is a great achievement for the Walgreen family and their employees, and is a fine example to the rest of us of what can be accomplished with a good idea and hard work.

It is most appropriate that the newest store's location will be in Chicago, at the corner of Division and Dearborn, because ever since C.R. Walgreen, Sr., opened the first store in 1901, we in the Chicago area have always been proud to consider Walgreens a Chicago company.

For the benefit of my colleagues and all Americans who admire the entrepreneurial spirit in America, I would like to insert in the RECORD today a brief history of the Walgreen Co.

WALGREEN CO. OPENS 1,000TH DRUG STORE SEPTEMBER 6, 1984

When Charles R. Walgreen, Sr. opened his first drug store on Chicago's south side in 1901, his goal was to provide a warm, friendly place that would give customers something more for their money.

Despite becoming a multi-billion dollar, nationwide drug chain, that goal is still at the top of Walgreens list of priorities as we now celebrate the opening of our 1,000th store. The new store, located at the corner of Dearborn and Division streets in Chicago, will open Thursday, September 6, in grand fashion with coupon giveaways and discounts galore.

In the early days, Mr. Walgreen, Sr. wanted to offer customers lower drug prices, so he began manufacturing his own line of drug products. Today, that has evolved into over 400 drug, health and beauty items.

Mr. Walgreen was also a very practical man. He wanted to get more people into his stores so he started the ice cream fountains which were so popular from the 1920s through the '50s.

In the early '20s, a new treat was added to these fountains—the Walgreen double-rich chocolate malted milk. Eager crowds stood three and four deep at our fountains to try Fountain Man "Pop" Coulson's creation, which was thickened with homemade ice cream and flavored by bittersweet chocolate.

Ambitious expansion, which thrust Walgreens to the front of the chain drug industry, was going strong in the late '20s. We exploded from 65 stores in 1925 to 397 stores nationwide in 1929. Some of these store openings received a boost from an appearance by the company's first owned-and-operated airplane—a twin-engined Sikorsky amphibian.

In 1933, Walgreens helped celebrate Chicago's spectacular Century of Progress. We opened two stores on the fairgrounds, which became so popular that by midsummer, we opened two more. These stores were actually laboratories that experimented with advanced fixture design, new lighting techniques and modern colors to help spur advances in store layout and design.

With the 1940s came war, and expansion came to a halt. The company tightened its belt and employees pulled together to help in the war effort. Over 2,500 employees served in the U.S. armed forces during World War II and hundreds more donated blood, studied first aid and worked in armed forces hospitals and USO centers.

After the war, Walgreens embarked on a comprehensive modernization program. The older stores shed their cumbersome upper decks, rolling step-ladders and old style showcases. In their place came inviting oak fixtures, convenient shelving, and glass showcases.

Determined to be where customers needed them most, Walgreens opened Chicago's largest drug store on "the world's busiest corner," State and Madison, in 1949. This "super" store boasted 28 departments and widest range of merchandise ever seen in one Walgreen drug store. Walgreens now has four stores on State Street—"that great street"—and 168 in Chicagoland.

With the 1950s came still more change. "We decided to change our whole concept of merchandising to self-service," said Charles R. Walgreen, Jr. This meant remodeling over 400 Walgreen units and retraining thousands of employees in self-service procedures. For customers, it meant not having to wait for service. They were free to browse through the store at their leisure.

During the sixties, we achieved several pharmacy milestones, such as:

In 1962, we filled our 100 millionth prescription—far more than any other drug store chain had ever filled.

In 1968, we became the first major drug chain to put its prescriptions into child proof containers, long before it became required by law.

The 1970s were marred by the effects of inflation and recession. In response to the

growing consumer need for comprehensive price information, Walgreens introduced its Prescription Price Book in 1974. It listed over 10,000 brand and generic prescription prices.

As we entered the 1980s, Walgreens was preparing to install a computerized record-keeping and retrieval system to help pharmacists give their customers the best possible service. Now fully operational, this system allows all Walgreen drug stores, in 30 states and Puerto Rico, to provide quicker service, easy prescription transferability, patient profiles, tax/insurance records and a 24-hour emergency hotline.

Even though it has been 83 long years and 1,000 stores since Mr. Walgreen, Sr. opened his first store, the goals of the company remain the same.

Perhaps one Chicago customer put it best. "No matter what time I have shopped your store, I have found each and every employee to be polite, courteous and gracious . . . I find it to be somewhat nostalgic; like the 'good old days' when a customer was treated as a welcome asset and not an annoyance."●

THE NICARAGUANS TALK ABOUT THEIR MILITARY BUILDUP

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOMFIELD. Mr. Speaker, the President was right. Our Government's recent claims about the continuing buildup of Nicaragua's military facilities are accurate. In recent days, the Nicaraguans themselves have come clean and told the truth about their new military airfield.

In recent weeks, the administration expressed its concern about the nature of Punta Huete Airport. According to reliable intelligence sources, the airfield is being built to accommodate extremely large aircraft. Given the length of the runway and the added runway thickness in order to support long-range aircraft, our intelligence community is concerned that the field could be used for Soviet airborne intelligence gathering aircraft. Already, similar aircraft, modified for communications intercept work, are flying along the east coast of the United States to monitor civilian and military communications. Valuable intelligence information is being lost to these Cuban-based spy planes. Let us not kid ourselves about the vital role which communications intercept plays in assessing the capabilities of any potential adversary.

Although the Cuban-based aircraft are limited in range, similar bombers based in Nicaragua could fly up the west coast of the United States and perform the same communications monitoring function.

Of equal concern is the fact that the Nicaraguans will soon receive modern Mig interceptors to add to their growing air force inventory. Already, Nicaraguan pilots are being trained in Eastern Europe. When the aircraft arrive, the Sandinistas will have the largest and most modern air force in all of Central America.

The Sandinistas continue to claim that their military buildup is a reaction to external threats. Available information shows that the Sandinistas planned to make Nicaragua a major military power in the region as soon as they came to power in 1979. One of the Junta's first acts was to build 40 training camps around the country. They worked closely with their Cuban and Soviet mentors in preparing the military expansion plan.

Their plans were put into action in 1979, well before any armed opposition to their so-called revolution took up arms. In 1979, there were no Contras to be worried about. At that time, our Government believed the Sandinista claims that they had a democratic orientation and that they wanted to build an open, free, and pluralistic society for the Nicaraguan people. Our Government gave millions of dollars to the Sandinistas for economic development efforts. We bought their story, hook, line, and sinker.

I strongly believe that Nicaragua is well on its way to becoming another little Cuba. In future years, more Soviet, Eastern European, and Cuban advisers will be there, along with permanent support facilities for Soviet long-range aircraft, as well as naval servicing facilities. Already, the evidence is before our eyes.

With these concerns in mind, I strongly recommend this Washington Post article to all of my colleagues in the Congress:

NICARAGUA CONSTRUCTS AIRBASE, SAYS NEW WARPLANES AWAITED

PUNTA HUETE, NICARAGUA.—Nicaragua acknowledged today that it is building a large military airport, as the Reagan administration has claimed, and took journalists on a tour of it. Officials said it could be operational by the end of next year.

Air Force chief Raul Venerio said he was "awaiting new combat planes from various countries." He did not specify the types of aircraft.

Defense Ministry spokeswoman Capt. Rosa Pasos said the facility outside this town 13 miles northeast of Managua would be capable of handling "all types of planes." She said work began two years ago and its existence was being revealed to avoid a situation "such as happened in Grenada."

The Reagan administration said the leftist Sandinista government was building such an installation. Reporters who accompanied Defense Secretary Caspar W. Weinberger on a Central American tour in September were given copies of a Defense Department briefing paper that said the airstrip being built at Punta Huete airport "can accommodate any aircraft in the Soviet inventory."

The administration made the same accusation about a large airport being built on the Caribbean island of Grenada, which the leftist government there said was designed to handle large jetliners carrying tourists. In October, the United States led an invasion of Grenada that installed a new interim government and has now supported completion of the project.

Venerio said the Sandinistas were building the airport because they have "the right to defend the country."

The United States supports Nicaraguan rebels, based in Honduras and Costa Rica, who are trying to overthrow the Sandinista government.

Nicaragua's transport minister, Carlos Zarruck, told the touring journalists the airport would have a main runway 4,400 yards long and another of about 3,900 yards. Construction Minister Maurico Valenzuela said the facility could be ready for use by the end of 1985.

Zarruck said the airport was conceived in 1975, under the government of pro-American president Anastasio Somoza, whom the Sandinistas overthrew in 1979. He said it was designed by a U.S. firm.

Valenzuela said no Soviet technicians or laborers were working on the project, which had cost $30 million so far.

One worker interviewed briefly said he had contact with some technicians "who spoke like Cubans," and others had "blond hair." There was no opportunity to ask him further questions.

The airport is on a plan beside the large Lake Managua, which extends north from the capital city. A dirt road that branches off the Inter-American Highway leads to it.

Sandino Airport, which currently serves Nicaragua's military and civilian needs, has a runway about 2,750 yards long. It is about 6½ miles east of Managua.

[Valenzuela said, "The object of this [new] airport is to strengthen the defense of the people and establish an alternative airport in case of a catastrophe," Reuter reported. He added that the existing Sandino International Airport, with its 8,100-foot airstrip, could not service jumbo jets and could be destroyed in an earthquake because it was built over a geological fault.]●

COMBATING PORNOGRAPHY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 15, 1984 into the CONGRESSIONAL RECORD:

COMBATING PORNOGRAPHY

Indianapolis recently passed an ordinance defining pornography as a practice that degrades women and denies them equal opportunity. Any woman who considers herself harmed by pornography may sue to stop its dissemination. Publishers immediately challenged the ordinance in court, alleging that it violated the First Amendment.

The lawsuit was to be expected. Making freedom from pornography a civil right is a bold, new approach to controlling pornography. The Indianapolis ordinance, however, points out the problems that government faces in attempting to curb pornography without inhibiting free speech.

Pornography is part of a large, underground industry that includes peep shows, massage parlors, and live sexual performances. Americans spend as much as $7 billion a year on pornographic materials, more than the combined revenues of the record-

ing and film industries. Child pornography accounts for one fifth of the total. There are 20,000 adult bookstores, 400 adult magazines, more pornographic books and publishers than can be counted, and 800 adult movie houses, as well as mail order firms and cable television services that deal in pornographic matter. Some 400,000 pornographic videocassettes have been sold, and even pornographic videogames are on the market. More than 2,500,000 people view pornographic movies each week. Organized crime controls about 80% of the growing pornographic trade.

What can be done about pornography? Despite the absolute language of the First Amendment—that "Congress shall make no law . . . abridging the freedom of speech"—obscene materials have been regulated in the United States since 1815. Under current law, government can ban obscene matter entirely. However, it is hard for government to determine if material is legally obscene. What is more important, much material depicting offensive sexual activity is not legally obscene and so cannot be banned entirely. Government may have trouble figuring out how much it can restrict offensive, non-obscene matter without inhibiting speech protected by the First Amendment.

State and local governments have the primary responsibility to regulate pornography, and they have tried a variety of methods without much success. All states have criminal statutes on obscenity, but they tend to be ineffective. Limitations on police resources, constitutional problems with prior restraint on speech, difficulties in defining obscenity, and careful requirements of criminal procedure all contribute to lax enforcement. Also, these statutes may not deter since penalties are frequently light.

Laws which make the sale of obscene matter a nuisance help authorities control pornographers by allowing the state, and in some cases private citizens, to sue to stop circulation of obscene material. Unfortunately, the utility of the laws is minimal as well since only specific obscene items can be banned, and pornographers can flood the market with new items not yet deemed obscene. Also, the U.S. Supreme Court has never upheld an attempt to close down a whole business when only part of its inventory is pornographic.

Zoning ordinances are more effective in combatting pornography because, unlike nuisance laws, they can be applied to entire businesses without proof that all materials being sold are obscene. These ordinances restrict the location of offending firms either by concentrating them in one area or by dispersing them widely. Courts have upheld such ordinances where they help create or preserve a safe and healthy urban environment. The ordinances may be struck down if they lead to a total ban on pornography.

Federal authority to regulate pornography is limited because most police power is reserved to the states under the Constitution. The federal government takes some action based on its power to control commerce and the mails, so there are laws against mailing obscene matter, importing it, or transporting it for sale or distribution. Federal law also imposes severe restrictions on child pornography.

The federal government has a special interest in radio and television, which invade the privacy of the home and are accessible to children. Prior warnings may not protect listeners and viewers, so strict regulation of broadcasts is allowed. Since cable does not use limited frequencies, and because unwanted channels can be locked out, strict federal regulation may not cover cable.

I do not think that the citizens of any city need to stand idly by as pornography proliferates. They can pour in extra resources and step up the campaign against purveyors of obscenity using existing legal means. They can work for new antiobscenity laws and for strict enforcement of those laws, and they can bring civil lawsuits against publishers and distributors of obscene material. Citizens can launch boycotts and apply other forms of organized economic pressure against businesses that sell pornographic matter, whether or not it is obscene. Because profit is the motive behind pornography, a recent boycott in the nation's capitol convinced a chain of convenience stores that lurid material had no place on its shelves. Finally, citizens should insist that scientific studies of the effects of pornography be made. If a link between pornography and sexual violence can be documented, then government will have better grounds, under its authority to promote public safety and health, to crack down on pornography.

There is a very delicate balance between curtailing pornography and protecting free speech. Pornography is disgusting, even sickening, to many men and women. The indignity that it causes is genuine, and the rage against it is justified. Improving the quality of life is an important interest of government, but government also must be careful not to strangle the freedom of choice that is fundamental to our democracy. In a sense, pornography is a price that we pay for freedom. It is not easy to tolerate pornography, nor is it possible to avoid it. Rather than combatting pornography by banning it, we are required by the Contitution to combat it with other speech and with prudently chosen legal pressure.●

CARDINAL SHEHAN—A MAN FOR ALL SEASONS

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HAWKINS. Mr. Speaker, on August 26, 1984, Cardinal Lawrence Joseph Shehan passed away. His genuine concern for human and social conditions epitomized his prestigious and distinquished religious career. He was committed to the principle of equal opportunity for all Americans—at a time when perhaps it was unfashionable to do so. He defended the right of priests and nuns to march in civil rights demonstrations and attended the funeral of Martin Luther King, Jr.

On the question of racial equality, Cardinal Shehan said:

There is, I hope, no need to say that in our churches and in our parochial life generally there must be no racial segregation, and there must be no distinction of rank or place or treatment based upon racial difference.

He was a champion of the poor and the disadvantaged, consistently urging our society to do more for those who had little. On the issue of social justice he once remarked:

The duty of justice and charity applies not only to our churches, our schools, our charitable organizations and institutions, and our hospitals, but also to all of us as individuals. It must guide us in personal relationships, within our block, or our neighborhood, our community; in our social and fraternal organizations; in the business we may conduct; in the labor unions to which we may belong; at work and at play; in all circumstances of everyday life.

Cardinal Shehan's humble and unassuming style exemplifies my own personal view of public leadership:

The leadership belongs not to the loudest, not to those who beat the drums or blow the trumpets, but to those who day in and day out, in all seasons, work for the practical realization of a better world—those who have the stamina to persist and to remain dedicated. To those belong the leadership.

Mr. Speaker, I would like to submit an editorial by the Washington Post in behalf of Cardinal Lawrence J. Shehan—truly a man for all seasons.

CARDINAL LAWRENCE J. SHEHAN

There has been and will continue to be much discussion in the course of the presidential campaign about the role of religion in American society and political life. There is a big difference between a religious leader's right to teach and inspire on moral issues and his inclination, if he has one, to instruct his flock to vote for a particular candidate or party. This and other distinctions that must be made are worth pondering, and in doing so it is very helpful also to ponder the life and accomplishments of Cardinal Lawrence J. Shehan, the retired archbishop of Baltimore, who died on Sunday at the age of 86.

Cardinal Shehan had ties to this quintessentially political city. As a young priest, he served in St. Patrick's church downtown. Later, he was director of Catholic Charities here. And throughout his life as a priest—in Washington, in Bridgeport, Conn., and in Baltimore—he did not hesitate to take a stand on public issues that he believed were essentially moral in nature. Like most Catholic prelates, he opposed abortion and tied it to his opposition to capital punishment. He was also a civil rights champion in the days when that was neither automatic nor easy. He desegregated the diocesan schools, fought for open housing, actively opposed anti-miscegenation statutes and urged businessmen to grant equal employment opportunity to minorities. Cardinal Shehan joined Rev. Martin Luther King Jr.'s march on Washington in 1963 and led efforts to bring about both formal and actual reconciliation between Christians and Jews.

In all his work to provide moral leadership on issues that are social and political, as well as religious, Cardinal Shehan never once endorsed a candidate or told fellow Catholics how to vote. He marched and testified, filed briefs and made speeches, and he endeavored to persuade all Americans—not just Catholics—by his example and by the force of his moral argument. Here is how he and 11 other area clergymen addressed citizens on the question of the ratification of Maryland's new constitution in 1968: "Our study of the document had led us to a wholehearted endorsement of the new constitution. We urge all citizens to give it careful analysis, to make a reasoned decision and to vote according to their best

judgment on May 14." Cardinal Shehan's life of activism, humility and service and his keen awareness of where the line lay that must not be crossed provides a valuable model for today.●

U.N. INTERNATIONAL CONFERENCE ON POPULATION

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. SCHEUER. Mr. Speaker, I would like to report to my colleagues on a congressional delegation to Mexico City during August 9-17. I cochaired this delegation with Representative JOHN PORTER. Other members of the delegation included Representatives PATRICIA SCHROEDER, SANDER LEVIN—formerly Assistant Administrator for Population Programs for the Agency for International Development, JIM MOODY, and SOLOMON ORTIZ. The purpose of our trip was to attend the U.N. International Conference on Populations during August 10-14 as congressional abservers, and to represent the U.S. Congress at the International Parliamentary Assembly during August 15-16.

U.N. INTERNATIONAL CONFERENCE ON POPULATION

Over 3,000 participants from 149 countries gathered at Mexico's Ministry of Foreign Affairs to evaluate the results of the implementation of the world population plan of action adopted at the 1974 U.N. World Population Conference held in Bucharest, to offer specific suggestions for the further implementation of the plan, and to outline goals for national and international action in population activities.

The delegates at the Conference adopted 88 recommendations for the further implementation of the world population plan of action along with the Mexico City Declaration on Population and Development.

Members of the congressional delegation observed the proceedings of the Conference and the deliberations of its main committee. They also held a press conference to answer questions on the reaction of the Congress to the American policy statement on international population assistance presented at the Conference by the U.S. delegation headed by Ambassador James Buckley. Members of the congressional delegation stated that many Members of Congress were astonished and offended that Congress had not been consulted before the change in U.S. population policy was announced. They were critical of the radical departure that the U.S. delegation had taken on the longstanding bipartisan policy for international population aid. Members of the congressional delegation stated that they hoped to avoid confrontation and wanted to work out problems by compromise, conciliation, and negotiation. If this was not possible, they suggested that the bipartisan policy might have to be kept in place through specific language in a continuing resolution to the foreign aid bill. The congressional delegation also noted that no congressional delegates or advisors were included in the U.S. delegation to the U.N. Conference even though several requests were made to the White House by senior representatives, including the House Republican leadership. The congressional delegation also noted that the U.S. delegation was all male, with the exception of one female alternate.

INTERNATIONAL PARLIAMENTARY ASSEMBLY

The congressional delegation joined over 200 parliamentarians from 60 countries to participate in the International Parliamentary Assembly, inaugurated by President Miguel de la Madrid and held in Mexico's Parliament buildings. The assembly was jointly sponsored by the Global Committee of Parliamentarians on Population and Development and the Chamber of Deputies of Mexico. Congressman JAMES H. SCHEUER was elected Chairman of the Board of the Global Committee of Parliamentarians at its annual board meeting on August 14.

Congressional delegation members participated in the three committee sessions on populations and development policies, the status of women, and the delivery of family planning services, and voted to adopt the action plan of the Assembly.

I commend the texts of the Mexico City Declaration on Population and Development adopted at the U.N. International Conference on Population and the action plan adopted at the International Parliamentary Assembly to my colleagues.

The texts follow:

MEXICO CITY DECLARATION ON POPULATION AND DEVELOPMENT ADOPTED AT THE U.N. INTERNATIONAL CONFERENCE ON POPULATION

[1] The International Conference on Population met in Mexico City from 6 to 14 August 1984, to appraise the implementation of the World Population Plan of Action, adopted by consensus at Bucharest, 10 years ago. The conference reafirmed the full validity of the principles and objectives of the World Population Plan of Action and adopted a set of recommendations for the further implementation of the plan in the years ahead.

[2] The world has undergone far-reaching changes in the past decade. Significant progress in many fields important for human welfare has been made through national and international efforts. However, for a large number of countries it has been a period of, instability, increased unemployment, mounting external indebtedness, stagnation and even decline in economic growth. The number of people living in absolute poverty has increased.

[3] Economic difficulties and problems of resource mobilization have been particularly serious in the developing countries. Growing international disparities have further exacerbated already serious problems in social and economic terms. Firm and widespread hope was expressed that increasing international cooperation will lead to a growth in welfare and wealth, their just and equitable distribution and minimal waste in use of resources, thereby promoting development and peace for the benefit of the world's population.

[4] Population growth, high mortality and morbidity, and migration problems continue to be causes of great concern requiring immediate action.

[5] The conference confirms that the principal aim of social, economic and human development, of which population goals and policies are integral parts, is to improve the standards of living and quality of life of the people. This declaration constitutes a solemn undertaking by the nations and international organizations gathered in Mexico City to respect national sovereignty to combat all forms of racial discrimination including apartheid, and to promote social and economic development, human rights and individual freedom.

[6] Since Bucharest the global population growth rate has declined from 2.03 to 1.67 percent per year. In the next decade the growth rate will decline more slowly. Moreover, the annual increase in the numbers is expected to continue and may reach 90 million by the year 2000. Ninety percent of that increase will occur in developing countries and at that time 6.1 billion people are expected to inhabit the earth.

[7] Demographic differences between developed and developing countries remain sinking. The average life expectancy at birth, which has increased almost everywhere, is 73 years in developed countries, while in developing countries it is only 57 years and families in developing countries tend to be much larger than elsewhere. This gives cause for concern since social and population pressures may contribute to the continuation of the wide disparty in welfare and the quality of life between developing and developed countries.

[8] In the past decade, population issues have been increasingly recognized as a fundamental element in development planning. To be realistic, development policies, plans and programs must reflect the inextricable links between population, resources, environment and development. Priority should be given to action programs integrating all essential population and development factors, taking fully into account the need for rational utilization of natural resources and protection of the physical environment and preventing its further deterioration.

[9] The experience with population policies in recent years is encouraging. Mortality and morbidity rates have been lowered, although not to the desired extent. Family planning programs have been successful in reducing fertility at relatively low cost. Countries which consider that their population growth rate hinders their national development plans should adopt appropriate population policies and programs. Timely action could avoid the accentuation of problems such as overpopulation, unemployment, food shortages and environmental degradation.

[10] Population and development policies reinforce each other when they are responsive to individual, family and community needs. Experience from the past dacade demonstrates the necessity of the full participation by the entire community and grassroots organizations in the design and implementation of policies and programs.

This will insure that programs are relevant to local needs and in keeping with personal and social values. It will also promote social awareness of demographic problems.

[11] Improving the status of women and enhancing their role is an important goal in itself and will also influence family life and size in a positive way. Community support is essential to bring about the full integration and participation of women into all phases and functions of the development process. Institutional, economic and cultural barriers must be removed and broad and swift action taken to assist women in attaining full equality with men in the social, political and economic life of their communities. To achieve this goal, it is necessary for men and women to share jointly responsibilities in areas such as family life, child-caring and family planning. Governments should formulate and implement concrete policies which would enhance the status and role of women.

[12] Unwanted high fertility adversely affects the health and welfare of individuals and families, especially among the poor, and seriously impedes social and economic progress in many countries. Women and children are the main victims of unregulated fertility. Too many, too close, too early and too late pregnancies are a major cause of maternal, infant and childhood mortality and morbidity.

[13] Although considerable progress has been made since Bucharest, millions of people still lack access to safe and effective family planning methods. By the year 2000 some 1.6 billion women will be of childbearing age, 1.3 billion of them in developing countries. Major efforts must be made now to insure that all couples and individuals can exercise their basic human right to decide freely, responsibly and without coercion, the number and spacing of their children and to have the information, education and means to do so. In exercising this right, the best interests of their living and future children as well as the responsibility towards the community should be taken into account.

[14] Although modern contraceptive technology has brought considerable progress into family planning programs, uncreased funding is required in order to develop new methods and to improve the safety, efficacy and acceptability of existing methods. Expanded research should also be undertaken in human reproduction to solve problems of infertility and subfecundity.

[15] As part of the overall goal to improve the health standards for all people, special attention should be given to maternal and child health services within a primary health care system. Through breast-feeding, adequate nutrition, clean water, immunization programs, oral rehydration therapy and birth spacing, a virtual revolution in child survival could be achieved. The impact would be dramatic in humanitarian and fertility terms.

[16] The coming decades will see rapid changes in population structures with marked regional variations. The absolute members of children and youth in developing countries will continue to rise so rapidly that special programs will be necessary to respond to their needs and aspiration's, including productive employment. Aging of populations is a phenomenon which many countries will experience. This issue requires attention particularly in developed countries in view of its social implications and the active contribution the aged can make to the social, cultural and economic life in their countries.

[17] Rapid urbanization will continue to be a salient feature. By the end of the century, 3 billion people, 48 percent of the world's population, might live in cities, frequently very large cities. Integrated urban and rural development strategies should therefore be an essential part of population policies. They should be based on a full evaluation of the costs and benefits to individuals, groups and regions involved, should respect basic human rights and use incentives rather than restrictive measures.

[18] The volume and nature of international migratory movements continue to undergo rapid changes. Illegal or undocumented migration and refugee movements have gained particular importance; labor migration of considerable magnitude occurs in all regions. The outflow of skills remains a serious human resource problem in many developing countries. It is indispensable to safeguard the individual and social rights of the persons involved and to protect them from exploitation and treatment not in conformity with basic human rights; it is also necessary to guide these different migration streams. To achieve this, the cooperation of countries of origin and destination and the assistance of international organizations are required.

[19] As the years since 1974 have shown, the political commitment of heads of state and other leaders and the willingness of Governments to take the lead in formulating population programs and allocating the necessary resources are crucial for the further implementation of the World Population Plan of Action. Governments should attach high priority to the attainment of self-reliance in the management of such programs, strengthen their administrative and managerial capabilities, and ensure coordination of international assistance at the national level.

[20] The years since Bucharest have also shown that international cooperation in the field of population is essential for the implementation of recommendations agreed upon by the international community and can be notably successful. The need for increased resources for population activities is emphasized. Adequate and substantial international support and assistance will greatly facilitate the efforts of governments. It should be provided wholeheartedly and in a spirit of universal solidarity and enlightened self-interest. The United Nations family should continue to perform its vital responsibilities.

[21] Nongovernmental organizations have a continuing important role in the implementation of the World Population Plan of Action and deserve encouragement and support from Governments and international organizations. Members of parliament, community leaders, scientists, the media and others in influential positions are called upon to assist in all aspects of population and development work.

[22] At Bucharest, the world was made aware of the gravity and magnitude of the population problems and their close interrelationship with economic and social development. The message of Mexico City is to forge ahead with effective implementation of the World Population Plan of Action aimed at improving standards of living and quality of life for all peoples of this planet in promotion of their common destiny in peace and security.

[23] In issuing this declaration, all participants at the international conference on population reiterate their commitment and rededicate themselves to the further implementation of the plan.

INTERNATIONAL PARLIAMENTARY ASSEMBLY ACTION PLAN

We, the Parliamentarians of 60 nations, participating in the International Parliamentary Assembly on Population and Development held in Mexico City, the 15th and 16th of August, 1984.

Affirm that the ultimate objective of both development and population policies is to improve the quality of life and the well-being of individuals and families.

Note the agreement achieved at the United Nations International Conference on Population, held in Mexico City August 6-14, 1984, that population considerations form an integral part of development planning.

Take it as fundamental that population policies remain the prerogative of each sovereign country.

Recognize the achievements made by parliamentarians working in population and development since the First International Conference of Parliamentarians on Population and Development held in Colombo, Sri Lanka in 1979.

Reassert that Parliamentarians have a unique and valuable role to play in the formulation of policies and enactment of laws related to population and development.

THE PARLIAMENTARIAN MOVEMENT

In recent years an important international movement has sprung from the common concerns of parliamentarians around the world about population and development. Since the Colombo Conference of Parliamentarians in 1979, achievements have included:

Holding of regional conferences of Parliamentarians at Beijino, China, 1981; Brasilia, Brasil, 1982; New Delhi, India, 1984; Tunis, Tunisia, 1984; and London, England, June, 1984.

Establishment of the Global Committee of Parliamentarians on Population and Development (1982), the Asian Forum of Parliamentarians on Population and Development (1982), and the Inter-American Parliamentary Group on Population and Development (1983).

In this short time national groups of Parliamentarians on Population and Development have been formed in 40 countries. These are in addition to the 3 such parliamentary groups formed before the 1979 Sri Lanka conference.

In addition, the organized parliamentary movement, with the assistance of the Global Committee, contributed to the success of the 1984 United Nations International Conference on Population by encouraging the participation of parliamentarians in national delegations.

THE ROLE OF PARLIAMENTARIANS

As elected representatives of the people, responsive to the needs of all levels and groups in society, Parliamentarians have a vital role to play in the population and development process. This role includes taking the initiative in stimulating and helping to:

Ensure that population and development issues receive priority attention.

Alert their constituents to the importance and inter-relationship of population and development issues.

Secure a political consensus on the need for action.

Initiate legislative measures.

Work for the allocation of adequate funds for population and development activities.

Review the progress of such activities.

Cooperate with other Parliamentarians so that the experiences of one country can be shared with others.

Collaborate with international agencies working in the fields of population and development, not only the UNFPA, UNDP and other UN agencies, but also the NGOs, especially the world-wide network of the IPPF.

PRINCIPLES FOR FUTURE ACTION

The recommendations of the 1984 United Nations International Conference on Population (ICP) demonstrate a remarkable agreement among nations on the major issues of population and development. Based on this, Parliamentarians have a special responsibility to work for the application of the Recommendations in the light of social, cultural, economic and political conditions in their own countries. Foremost among the areas in which Parliamentarians have an important role to play are:

Population and Development. Ensure that national development plans integrate population considerations.

Status of Women. Review legislation to determine if it discriminates against women in areas such as civil and political, economic or social rights. Introduce legislation guaranteeing equal treatment of men and women and review the implementation of such legislation. Beyond legislation, work for changes in those social attitudes which militate against the achievement of equal status of women.

Health Care. Strengthen and expand primary health care programmes, thus participating in the massive efforts required to achieve "Health For All by the Year 2000."

Family Planning. Sponsor legislative measures to ensure that all individuals have the right to choose freely and responsibly the number and spacing of their children and that access to family planning services and information is available to individuals at all levels of society.

Education. Extend educational opportunities for all, with particular attention to women.

Environment. Protect the environment and endeavor to maintain a balance between natural resources and the demands of growing populations.

Migration. Assist in alleviating the problems of migration.

Community Participation. Foster community participation and especially that of women and grassroots support in the identification of needs, planning, development, implementation and evaluation of programmes.

* * * * *

DEDICATION

We, the parliamentarians at this Assembly, conscious of our responsibilities as legislators, representatives of our people, and leaders in the community, dedicate ourselves and renew our commitment to:

Sustaining and increasing awareness and understanding of the interdependence of population and development.

Expanding and strengthening national and regional committees of parliamentarians and the Global Committee of Parliamentarians.

Reinforcing our efforts towards increased national and international financial support for these programmes.

In conclusion, we restate that our ultimate objective is to contribute to the quality of life and the wellbeing of individuals and families.●

MEDICAL ETHICS IN DEBATE

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. WEBER. Mr. Speaker, Joseph J. Piccione from the Child and Family Protection Institute in Washington, DC, has written a thought provoking article on the challenge facing traditional medical ethics as the quality of medical care continues to change in our Nation.

Mr. Piccione raises some difficult issues which will need to be addressed by the American people and by Members of the Congress. I would urge my colleagues to spend time and reflect after they have read this excellent article.

The article follows:

[From the St. Louis Post-Dispatch, July 9, 1984]

STARVING THE HELPLESS—UTILITARIAN APPROACH TO CARE CHALLENGES TRADITIONAL MEDICAL ETHICS

(By Joseph J. Piccione)

At no time in America has there been greater societal discussion of questions of medical ethics. And never before has the public been less prepared for the debate.

The extent of the confusion is most apparent in the emerging issue of providing nourishment to patients who will not recover full health and are not receiving any medical treatment. A new and utilitarian medical philosophy is challenging the traditional notion of always providing nutrition, with few exceptions, such as if the patient is very close to death or if the patient lost the ability to digest the nourishment provided.

The interest in these questions developed with the great attention paid to the Karen Quinlan case in 1976. Miss Quinlan had been comatose for almost a year when her parents won the right to remove the respirator to which she was attached. After an extended period of time she was declared by her physicians to be irreversibly comatose. Her parents held the belief that at that point the respirator should be removed because it had become an "extraordinary means" of sustaining life, as opposed to the "ordinary means" that should always be provided. Miss Quinlan is still alive today, comatose, and nourished by means of feeding tubes.

With the Quinlan case, the terms "ordinary" and "extraordinary" means of sustaining life entered the popular jargon. This is to be expected because the case received great publicity, but also because people quite reasonably want to be able to handle a situation which could possibly present itself to themselves or their family.

However, the public's search for ethical norms is confused by changing meanings of the terms employed. Representatives of the new medical ethics are now proposing that feeding a gravely ill or comatose person is, not "ordinary" means of sustaining life, but "extraordinary" means; they also propose that it is ethically right to withdraw nourishment from Karen Quinlan because she will not recover.

Their suggestions are met with condemnation from physicians and ethicists who uphold the traditional medical ethics. They claim that allowing a patient to starve to death simply because she has a "poor quality of life" is neither loving nor just, but amounts to euthanasia.

The question of feeding the gravely ill is now being tested in the courts. The New Jersey Supreme Court, the same forum as in the Quinlan case, is now considering a case called *in the matter of Claire Conroy.* Miss Conroy, now deceased, was 84 years old and incompetent when her nephew asked a lower court to order feeding tubes removed from his aunt. She had lived a normal life and retired from her job, but suffered in her last years a brain dysfunction that removed her powers of speech and conscious activity. She was not comatose, however, and her eyes would follow people in her nursing hoime room; she also had some hand motion.

The lower court gave permission for the feeding to be halted but the decision was immediately appealed by the state. Miss Conroy continued to be fed until her death of natural causes. Although Miss Conroy had died, the Appeals Court decided to hear the case due to its importance, and ruled that termination of the feeding in her situation was not proper and would be euthanasia. Following that ruling, the nephew appealed to the state Supreme Court. The court heard oral argument in March of this year, but is not expected to quickly rule in the matter, and may even attempted to develop a set of guidelines for such feeding.

This case promises to be as significant for other state courts in the 1980s as the Quinlan case was in the 1970s, and it will influence the care received by many other persons in like circumstances.

Part of the problem in dealing with the question of continued feeding is the incomplete ethical knowledge of the public. The difficulty is that the very useful distinction between "ordinary" and "extraordinary" represents a sophisticated level of ethical reasoning. The first rule of medical ethics, however, is "do no harm." Only when a given proposal passes the basic "do no harm" test should it pass on to the "ordinary" and "extraordinary" distinction.

When we as a society seriously consider halting the feeding of the helpless who depend on our continued care, we raise a number of ethical dilemmas, including violation of the fundamental requirement to "do no harm."

If the respirator is removed from a patient who is without chance of recovery and the person dies, the cause of death is the person's illness for which the respirator was compensating.

If, on the other hand, a patient's nourishment is halted, and death inevitably follows from this, the cause of death would not be from the illness but from starvation, as a result of the failure of human care.

Those who suggest feeding be withheld usually cite kindness as their motivation. However, kindness and mercy must be expressed within the context of justice. Just and loving care will not produce the decision to starve to death someone who depends on you for life.

The utilitarian disposal of those who need us most is essentially inhuman. Starving the helpless and voiceless—under medical supervision, yet—is a strange and contradictory kind of mercy.●

THE CENTENNIAL OF THE GLENDALE PRESBYTERIAN CHURCH

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. MOORHEAD. Mr. Speaker, on September 29, 1984, the Glendale Presbyterian Church will celebrate that most special of birthdays—the 100th.

One century earlier on that date, in Riverdale, CA, an even dozen persons came together with common goals and needs. They formed an enduring and fruitful union and called it the Presbyterian Church of Riverdale.

With a heroic and sacrificial effort this tiny but determined congregation built a 36-foot-square church at Crow and 10th Streets. Once situated in the new church, the members changed their name to the Glendale Presbyterian Church to stay in step with their community, which at the behest of the Post Office changed its name from Riverdale—there were simply too many Riverdales—to Glendale.

Several years later, on December 12, 1887, the congregation gave itself a Christmas gift, the sanctuary's first bell. Cast in New York, the bell was inscribed,

His sound shall be heard when he goeth in unto the holy place before the Lord.

Today, this bell is one of the church's most cherished artifacts.

Like a healthy child, the church continued to grow. In October 1888, the membership voted 18 to 5 to relocate the church structure to Broadway and Cedar because the population growth in Glendale was in that direction.

As the 19th century rolled into the 20th, the salubrious climate of southern California was gaining wider and wider recognition with the inevitable result being growth and prosperity.

In 1903, this expansion necessitated construction of the area's first mass transit system. The Los Angeles Inter-Urban Railway, a Pacific Electric Railway subsidiary, built a line from Los Angeles to Glendale, passing close by the church. The results of this new exposure were obvious and predictable—the congregation grew larger and larger, spurring again the recurring debate about the need to expand.

In 1906, expansion was deemed not necessary. However, electric lights were installed for $55. Four years later, expansion became necessary and a new church with a cedar shingle exterior, concrete roof tiles, and a capacity of 350 persons, was erected on the site, as the old church was again moved but this time only to the rear of the lot.

As the physical plant of the Glendale Presbyterian Church reached out so to did the church's message of faith reach out. Missionary work was sponsored in both the United States and abroad. Church charities flourished to the benefit of the wider southern California community. Evangelistic services were conducted and promoted. But first and foremost, the church was faithful to its fundamental responsibility of serving the spiritual needs of its members.

With a vitality that is inherent in groups, which through acts of will prompt each members well being, the Glendale Presbyterian Church grew in strength, spiritual vigor, and tradition.

In 1914 a tradition began when the church was given a lighted cross. Mounted on the steeple, the Church of the Lighted Cross became visible throughout the wide valley. The church became a distinctive, high-profile community landmark, a position of preeminence it holds today.

In 1920 as membership reached 800, the need for growth in the church edifice was again clear. The church responded by constructing a new sanctuary at it current site at Harvard and Louise Streets. More than 1 million bricks were used to build the gothic structure that had a capacity of 2,000 persons. Its principal and most beautiful architectural feature was the 130-foot tower, at the time the highest artificial point in Glendale.

This wonderful building served the church beautifully until February 9, 1971, when disaster struck.

Local high school students had gathered in Stewart Hall for their weekly early morning breakfast when the first tremors were felt. None of the youngsters were injured in the resulting devastation but the church, made of unreinforced masonry, suffered grave damage.

As the after shocks rumbled through the city and the church, it became clear that the main sanctuary and tower had to be razed. The church clock in the tower was carefully and gently disassembled. Undamaged stain glass windows were removed. Carved oak paneling was taken down. All valuables were saved before the structure was demolished.

Without a sanctuary for the first time in 87 years, the congregation conducted services at Forest Lawn as a rebuilding campaign was launched almost immediately. With a directedness and determination that had long been traits on the church members, it wasn't long before a 1.5 million sanctuary was under construction.

Barely 3 years after a major California earthquake, the Glendale Presbyterian Church dedicated on June 12, 1974, a grand and new facility.

Today, the church and its members remain vital, attuned to God, community, and country. For more that 50 years, it has given me and my family companionship and comfort, guidance and renewal.

Its future, like the future of all things, is unknown. Yet using the past as a measure, it is surely reasonable to assume that the Glendale Presbyterian Church will continue to prosper and enrich the lives of those it touches; that it will continue to send out from its heart rays of hope; and that it will remain an entity that ennobles, heals, and provides.

For 10 decades the Glendale Presbyterian Church has been a great blessing to a great many. I have unquestioned faith that it will remain a blessing to man and an endearment to God.

Mr. Speaker, I am very pleased to call to the attention of my colleagues in the House of Representatives the 100th birthday of the Glendale Presbyterian Church. In its second century, I wish the church and its members Godspeed.●

DISABILITY LEGISLATION MUST BE ENACTED

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. ROYBAL. Mr. Speaker, the problems in the disability program will not go away. After 3 years it is time to enact legislation to aid those beneficiaries who have been hurt by the bureaucratic callousness of the reviews. I wish to draw my colleagues' attention to a New York Times editorial from August 31, as well as today's editorial from USA Today. Each of the editorials demonstrate the urgency of passing and implementing reform legislation.

In March, the House passed disability legislation (H.R. 3755) by a vote of 410-1. Enactment of this legislation will end the terrible abuses which have been documented in congressional hearings and the media.

In April Secretary Heckler suspended the disability review process and reinstated benefits to those in the administrative appeals process until legislation is implemented. I applaud Secretary Heckler's moratorium, however, it came too late for the thousands of beneficiaries who accepted the Government's initial termination decision and did not appeal their case.

In May, the Senate passed a diluted version of the disability reform legislation (S. 246). Although there are similarities between the House and Senate legislation, the Senate's bill will not ensure a permanent end to the terrible abuses and mistreatment of the disabled. The Senate's bill does not guarantee an end to the chaos among the States and the constitutional conflicts between the courts and the executive branch.

House and Senate conferees met only once before the August recess

and were able to reach agreement only on noncongressional issues. The provisions pertaining to a medical improvement standard, nonacquiesence of court orders, benefits through the administrative law judge, multiple impairments and the use of pain in determining disability were left unresolved. If the conferees cannot conclude their work in September, the needed reforms embodied in the House bill will die when Congress adjourns in early October. We must not let this important legislation become as Chairman Pickle stated, "a forgotten step-child."

Last spring the House Select Committee on Aging began a series of hearings to assess the reaction of State officials and Federal courts to the harsh interpretation of Federal law which the Social Security Administration expected the States to carry out. The committee has documented the chaos in the program which has produced the constitutional conflict between the executive branch and the States and courts. On February 28 the committee held its seventh hearing in regard to the chaos in the program. The results of the hearing demonstrate that until legislation is enacted, the States and courts will continue their efforts to put some humaneness back into the disability process. At least seven States have requested SSA to send case folders for reopening and revisions, using their authority under current regulations and guidelines. Twenty-two States use or advocate the use of a medical improvement standard. In at least 25 States Federal courts have struck down the Social Security Administration's internal operating procedures and ordered the administration to reopen the previous decisions.

In view of the fact that the legislation is at a standstill, as a member of the Appropriations Committee I will look at what other options are available to us.

I applaud the strong leadership of Chairman PICKLE and other House members of the conference committee. The House provisions on medical improvement and nonacquiesence promote national uniformity by addressing the root cause of the Federal/State, executive/judicial conflict. We must continue to support the House passed provisions during the conference committee.

[From USA Today, Sept. 5, 1984]

GIVE THE DISABLED MORE THAN RAW DEAL

A California man suffered from diabetes, a cripping heart attack, and kidney failure. He was unable to feed himself. But he still couldn't convince the government to restore his full federal disability payments.

A New York woman, suffering severe mental handicaps was stripped of her disability benefits and told to get a job—without being seen by a doctor.

A North Dakota woman with severe back pain had to take her case all the way to a federal appeals court after her disability checks were stopped. The court sharply rebuked the government for not following earlier decisions that should have protected her benefits.

Our system of monthly stipends for disabled workers was started in 1956. But stories of abuses—able-bodied workers getting checks—became part of our national folklore, and in 1980 Congress ordered a review of the rolls.

In three years, nearly 500,000 people saw the checks—which average $450 a month—abruptly stop. Many cutoffs occurred without warning and without a medical review.

It was a cavalier purge. Almost two-thirds of those who appealed were returned to the rolls after administrative review; federal judges have consistently ruled that the cutoffs brought into their courts were illegal; judges have restored benefits or ordered reviews for more than 100,000 people.

Meanwhile, scores of deaths—some suicides—occurred in homes where cutoff notices arrived. Invalids were being sacrificed in the zeal to improve the bottom line. Yet "savings" in federal benefits resulted in more welfare cases for the states.

While many truly needy were being abused by arbitrary enforcers, the number of actual freeloaders removed was far less than expected. Indications that 20 percent of recipients could hold jobs appears grossly inflated.

There is now a moratorium on further cutoffs. But Congress can't agree on new guidelines for eligibility.

Sorting out the deserving from the undeserving is never easy. But we should be ashamed that our fear of being played for saps has caused us to inflict yet more pain on our most vulnerable fellow citizens.

Efficiency in government is no excuse for cutting off disability benefits without medical reviews. And those languishing in financial limbo should be put back on the rolls pending their court appeals.

It should not be beyond the capabilities of Congress and the administration to work out a disability benefit program that is fair both to the needy and to the taxpayer.

Americans think of themselves as a compassionate people quick to help those who've gotten a raw deal from life.

But when we take the last shred of dignity from those who are too sick or disabled to help themselves, that's not compassion—it's cruelty.

[From the New York Times, Aug. 31, 1984]

THE DISABILITY DISASTER

In October 1981, a Manhattan social agency found him living as a vagrant in Central Park. At that time he was delusional, filthy, hostile. . . . His application for . . . benefits was rejected initially and on reconsideration despite a medical report stating that he hallucinated, had delusions of people being after him and spent most of his time wandering the streets. . . . In the denial of reconsideration of his application . . . it was stated that while his condition prevented him from returning to his "usual job," there were "Many other jobs" that he could perform.

What usual job? Which many other jobs? Such examples of bureaucratic callousness run through lawsuits over the Social Security Disability program, which the Reagan Administration has turned into an administrative disaster area. Now an appeals court decision in New York makes clear that the disaster is moral as well as managerial.

Early in President Reagan's term, Administration budget-cutters considered the $18 billion program a sitting duck. Carter Administration officials, alarmed by astronomical increases in disability payments, had ordered reviews of all disability cases in order to identify cheaters. It would be a simple matter, their successors figured, to make deep cuts by speeding up the review schedule—and by quietly tightening the rules for eligibility. New interpretations of the rules ordered by internal memo meant that an ability to boil water or rake leaves immediately established one's "employability," thereby disqualifying hundreds of thousands of the obviously disabled.

But getting away with such interpretations wasn't so easy. Social Security workers found themselves telling pathetically crippled or schizophrenic people to go out and find work. Many state officials refused to carry out the harsh new policy. Soon, Federal courts and administrative law judges were swamped with pitiful appeals—and they handed down a steady stream of rulings in favor of the disabled claimants. By last spring, more than 200,000 of 491,300 people disqualified had won reinstatement on appeal.

Frederick A. O. Schwarz Jr., New York City's corporation counsel, led a legal battle against the change in the rules for the most vulnerable group, the mentally handicapped. A Federal appeals court this week affirmed a favorable ruling he had won from a lower court. What's remarkable about the decision is the need to appeal, and the attitude it reflects in the Administration. For the Federal Government did not contest the merits. It insisted on appealing only on technical grounds of jurisdiction. In effect, Washington admitted that its initial policy was wrong.

When Federal dollars support the helpless, to be wrong is to be painfully wrong. "On the day that he received the notice that he was cut off," a psychiatric nurse testified of one patient, "He became very upset. . . . That day he became more and more depressed, mute, unresponsive, crying. And finally, several hours later he was found in his apartment by his roommates in a mute and unresponsive position; curled up on the couch, not responding to people trying to arouse him or call his name. . . ."

Despite such stories, the Administration even now persists in defending its policy with technicalities. It might yet appeal the New York case to the Supreme Court. In addition, the White House defends "nonacquiescence"—refusal to accept defeats in some disability cases as precedents in others. And its objections to sensible measures to restore some decency to the system have stalled reform legislation for months.

One explanation for such stubbornness is that the Administration continues to let obsessive cost cutting limit its vision. That's a charitable excuse for a policy that looks more like official cruelty.●

THE PUBLIC BE DAMNED!

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. PACKARD. Mr. Speaker, during the August recess I had the opportunity to read an enlightening article about the state of mass transit in southern California. So often we hear

that Californians love their cars so dearly that they refuse to consider other means of getting from home to work and back. When I listen to my constituents in California's 43d District, though, I hear the pleas of openminded motorists tired of being stranded in rush-hour traffic.

The following article, published in the June 1984 issue of San Diego magazine, suggests that it's not California's drivers who are ultimately to blame for the lack of adequate train service between San Diego and Los Angeles:

THE PUBLIC BE DAMNED!

(By Jim Mills)

As one of President Jimmy Carter's appointees to the Board of Directors of Amtrak, I asked management why it is Greyhound can cover the 120 miles from Los Angeles to San Diego in two hours and 20 minutes, operating on the highways and subject to a speed limit of 55 miles an hour, while Amtrak takes two hours and 45 minutes—even though its trains travel at speeds up to 90 miles an hour for half the distance, from Del Mar to Santa Ana, and at up to 79 miles an hour for much the rest of the way. (Amtrak's biggest problem as far as speed limits are concerned is in Los Angeles County, where the Board of Supervisors has imposed a top speed of 65 miles an hour on all trains, but even that is ten miles an hour faster than the highest speed Greyhound is allowed to run.)

Management answered that Amtrak trains have to slow down for curves in some places and make five stops on the run, and each stop costs five minutes in running time. But that does not even begin to account for such poor performance.

Before I left the board in 1982, I came to realize there is no justification for Amtrak taking so long to travel between San Diego and Los Angeles. There is no justification, but there is a reason. The reason is that Amtrak does not wish to provide better service on this corridor.

Until 1980 the scheduled running time between San Diego and Los Angeles was two hours and 35 minutes, which was somewhat more reasonable. Recently I decided to try to contribute to an improvement in the service to the extent of getting back to that running time. I was motivated to do what I could because, as a member of the California State Senate, I had been instrumental in the expenditure by the state of millions of dollars that ostensibly were spent in order to improve the performance of the trains. I therefore contacted Congressman Jim Bates and put a number of questions to him, which I asked him to put to Amtrak, relative to its present slow schedules.

In response to my first set of questions, Amtrak management sent Bates a memo, dated September 20, 1983, which read in part: "Amtrak lengthened the schedules of its San Diego trains by five minutes in the Fall of 1980." That statement set the pattern for Amtrak's responses to all subsequent questions—it was false. The schedule for 12 out of the 14 daily trains between San Diego and Los Angeles was increased by ten minutes, not five minutes. The memo went on to say: "There were two major reasons for this. One, the success of these trains resulted in longer dwell times at the stations and additional meets on single track as the frequency increased to 14 trains daily." I'll address those points later.

The memo continued: "Two, Santa Fe had gradually lowered the level of utility from its 1971 contractual obligations by reducing speeds, primarily on curves." (When Amtrak came into existence all the railroads entered into agreements to maintain the tracks at the service level of that time so trains could operate at the speeds they were running at that time.)

The Amtrak memo went on to say Santa Fe has corrected that deficiency by improving the track structure, but the trains are going to stop at an additional station, a new one that has been built in Anaheim, and therefore the time gained by Santa Fe's improving the tracks will be lost as a result of the additional stop in Anaheim. That is not an unreasonable position on the face of it, but I shall get back to that later, too.

One of Bates' first inquiries was put to Amtrak through Congressman James Florio, the head of the committee that deals with Amtrak in the U.S. House of Representatives. An answer to Florio came in a letter from Graham Claytor, president and chairman of the board of Amtrak. Claytor wrote: "First, with respect to [the suggestion of] Amtrak's reducing running times between Los Angeles and San Diego from two hours and 45 minutes to two and one half hours, it is not true that large capital investments have been made to reduce trip times."

In reply I wrote to Bates: "The answer to that is the State of California has spent $23,628,538 since 1971 on the separation of grade crossings between San Diego and Los Angeles. Some of the projects were undertaken under legislation I carried that specifically allowed money for passenger lines; the rest were undertaken under the grade separation program administered by the Public Utilities Commission. A total of eight major thoroughfares were put into underpasses or overpasses. All of them were in Los Angeles County. The anticipation on the part of everyone was this would be a substantial contribution to the upgrading of the corridor and the improvement of the running time between San Diego and Los Angeles.

"No state on the Northeast Corridor Project [explained later in this article] has made any such contribution. In fact, I am not aware that any state on the northeast corridor has made any substantial contribution to the project. During the time California was spending this enormous amount of money to improve the service, Amtrak was increasing the running time by 10 minutes. Surely no such sum has ever been spent to so little effect."

In a letter to Bates dated October 19, 1983, Claytor replied: "Such projects primarily improve highway operations by improving the flow of vehicular traffic and eliminating accidents. We think it inappropriate to consider funds spent to eliminate grade crossings as to have been a contribution to permit higher operating speeds." Yet elsewhere Claytor says the state's failure to put up funds to rewire crossing gates to allow higher running speeds is the reason trains cannot go faster on the rest of the line. In effect, he says rewiring crossing gates allows higher running speeds but building overpasses and underpasses does not.

For high-speed operations, grade separations are infinitely preferable to crossing gates, no matter how they are wired, and everyone knows that. This response by Claytor is another incorrect statement from Amtrak relating to service on the San Diego-to-Los Angeles corridor.

When I was appointed to the Board of Directors of Amtrak by President Carter in 1978, Paul Reistrup was president of the corporation. He was interested in improving service between San Diego and Los Angeles. He pointed out to me in one conversation the biggest savings in time readily available on this run could be achieved by the abolition of the speed restriction of 65 miles an hour imposed upon all trains in Los Angeles County by its Board of Supervisors.

Shortly thereafter Amtrak asked me, as a member of the California Senate, to carry a bill to make the state's Public Utilities Commission a "court of appeals" to which Amtrak or any other railroad could turn if it felt a locally imposed speed restriction was unreasonable. At the time Amtrak officials told me dispensing with that speed restriction of 65 miles an hour would allow the trains to operate at a top speed of 79 miles an hour in Los Angeles County. That increase in maximum speed of 14 miles an hour would raise the average speed by five miles an hour, which would result in the saving of eight minutes on the run between San Diego and Los Angeles. That was one of the main arguments I presented in favor of the bill.

After the bill's passage, the PUC examined the speed restriction and approved of dispensing with it, contingent upon completion of certain crossing improvement protections at 15 crossings. Eight of those 15 crossings are the ones where underpasses or overpasses have been built by the state, at a cost of $23.6 million. In order to dispense with the Los Angeles County speed restriction, the PUC in effect said it is necessary only to rewire the crossing gates at the seven remaining crossings. The cost of this has been put at $1 million.

It has not been done. Amtrak's Claytor, in the next paragraph of the previously cited letter to Bates, says increasing the top speed of Amtrak trains from 65 to 79 miles an hour in Los Angeles County would result in savings of only one minute in the running time between San Diego and Los Angeles, because "certain curves in this territory will continue to have restrictions below 79 mph". He claims the improvement in running time of one minute is not worth spending a million dollars to achieve.

Something is very wrong. Either the information given to me some years ago, when Amtrak wanted to get rid of that speed restriction, was incorrect, or the information given by Claytor to Bates is incorrect. I have no doubt the eight-minute figure Amtrak gave me years ago is the right one, because no new curves have been put into the line in the intervening years.

Another major timesaving can be achieved for the expenditure of a modest amount of money. There are 21 unseparated grade crossings between Anaheim and San Diego. The speed of the trains could be increased if the 21 gates at those crossings were rewired to allow for higher train speeds. In Claytor's letter to Bates, he says five minutes could be taken out of the schedule if this rewiring were to be done.

The cost, he says, would be a little more than $2 million. But he says the projects cannot be undertaken, unfortunately, because the state will not put up the money to do it. That's not considered a barrier to Amtrak spending money to increase the speed of its trains in other parts of the country. It is a problem only in California.

The expenditure of $2 million to rewire the crossing gates between Anaheim and San Diego would be much more productive,

in terms of time saved by Amtrak trains, personnel and passengers, than any expenditure of $2 million on the Northeast Corridor Project between Washington, New York and Boston, where Amtrak is putting out $2 billion to speed up the trains.

Of course, Amtrak management would defend itself by saying Congress appropriated that $2 billion, and that is true. But it is also true that Amtrak supported the appropriation and actively sought the money, while it has not asked for even $2 million for the second-busiest corridor it operates—and it shows no indication it ever will ask for $2 million or any other amount for rewiring those gates. If it did Congress surely would approve the expenditure on the basis of simple equity. After all, $2 million is only one tenth of one percent of what is being spent in the northeast corridor.

But Amtrak doesn't have to ask Congress for that $2 million. The board and management of that corporation have broad discretionary powers. They continually spend vast sums on all manner of projects to improve service or operations on one route or another. At almost every meeting during the years I was a member of the board, there were requests by management for money to improve railroad lines over which the corporation operates trains or to build new facilities. At its February 1984 meeting, the board decided to proceed with the planned Los Angeles Equipment and Maintenance Facility, at a cost of $28.6 million. That should give some idea of the kind of money Amtrak has at its disposal.

If the board can find $28.6 million for an equipment maintenance and service facility improvement program in Los Angeles, it surely could find 11 percent of that to rewire all the remaining crossing gates between San Diego and Los Angeles to reduce running times between the two cities by 13 minutes—if management really wanted the board to do it.

The simple fact is management doesn't want the board to do it. I'm sure there would be no great harm if that project in Los Angeles were trimmed by 11 percent, or even deferred a year, to free the money needed to rewire crossing gates on the San Diego-Los Angeles run. After all, Amtrak has been getting by with the equipment maintenance service facilities it has for quite some time, and could continue to do so a little longer.

You will recall Claytor also says the increased number of trains on the run has resulted in delays because so much of the route is single track. I was concerned about that some years ago, when Alan Boyd, who is now chairman of the board of American High Speed Rail (the bullet train corporation), was president of Amtrak. I had carried legislation that appropriated state money for improvements to the railway between San Diego and Los Angeles in order to achieve faster running times. None of the money had been spent by that time, so I suggested to Boyd we might use part of the funds to lengthen some of the passing tracks to deal with the problem of trains delaying each other because there was so much single track on the run. I suggested we might also add some passing tracks.

Boyd referred the matter to staff, then reported back it wouldn't help at all. Now, it appears to be essential to faster schedules that additional passing trackage be put into service, although no trains have been added in the interim. In another letter Claytor says one problem with the passing tracks is that the majority of them have 15-mile-an-hour turnouts—the switches at each end of them cannot be negotiated by trains at speeds higher than 15 miles an hour. While that is true, it is also true that the state paid to put in new turnouts on two passing tracks, turnouts that would allow the trains to enter the sidings at 40 miles an hour.

The state put up $1.4 million to do it. The state took the initiative, of course, Amtrak has not taken the initiative on any project to improve train speeds on the run. It would be reasonable to expect the expenditure of that $1.4 million would result in some improvement in the schedule, but it has not. Like the expenditure of $23.6 million on overpasses and underpasses, it had no effect. By the way, the PUC did suspend unconditionally a few miles of local speed restrictions, and that had no effect either.

Now, under the pretext of speeding up its service, Amtrak has inaugurated a further deterioration in it. Management decided that, starting April 29, one of the eight trains running in each direction will stop only at Anaheim and Del Mar in order to provide express service between San Diego and Los Angeles for a premium fare (a $5 surcharge on the regular ticket price of $16 one way). The running time will be two and a half hours, just 15 minutes faster than the other trains. By leaving out four stops (since Amtrak says each stop costs five minutes), they are adding slack time to the schedule instead of taking it out.

I also entered into a correspondence with Charles Luna, a member of the Amtrak board, on the subject. I sent him all the materials I had submitted to Jim Bates and all Amtrak's answers. As you will recall, one of the points Amtrak had made was that increased patronage required longer dwell times at the stations, because more time is required to load and unload the passengers. I had replied that increased patronage had resulted in longer trains and there were, therefore, more doors for people to get on and off them. I argued a train that is twice as long does not stop for twice as long at the stations on its run—it stops for about the same length of time as a shorter train.

Claytor responded to Luna, who replied to me, "The length of the San Diego trains has not materially changed due to the use of higher-capacity equipment."

That statement, too, is false. Before the increase in patronage, Amtrak used to run three-car trains. In fact, it was very seldom that anything other than a three-car train was seen on the line. Now Amtrak never runs a three-car train between San Diego and Los Angeles. I live within sight of the line and I see trains go by all day long, and I haven't seen a three-car train on the run for years.

That is a very important difference, because three-car trains require only one brakeman under the agreements the railroads have with the railroad unions. Four-car trains require two breakmen. One of the few functions of the breakmen on passenger trains is to open and close the doors and assist the passengers in embarking and disembarking. Trains that run between San Diego and Los Angeles now carry about twice as many people a train as they did ten years ago. Since there are twice as many brakemen on four-car trains, it should be possible to load and unload at each station in about the same period of time. At worst the delay should be minimal.

I now live in Del Mar. When I want to go to San Diego by train I generally get there ten minutes early. I've talked to the crews of the trains about it, and they say that's usually the case. The reason is that Amtrak's published schedules show the trains taking from 39 to 42 minutes to cover the run from Del Mar to San Diego. In my first letter to Jim Bates I pointed out that was much too leisurely a schedule. Claytor responded to Bates: "Our detailed analysis shows that approximately 31 minutes are required [to make the run], depending on the length of the train and the number of locomotives." That, too, is false. I myself have made the run in 25 minutes, when the train was late. In the winter of 1980 the northbound schedule from San Diego to Del Mar was 29 minutes, and the present northbound schedule is 30 minutes. Yet Claytor says it takes a train 31 minutes to cover the distance. Now that may seem like a small falsehood, but it points up the fact Amtrak cannot be depended on to tell the truth even in small things when questioned about its service on this corridor.

Actually, there are up to 12 minutes' slack time in the schedule between Del Mar and San Diego. That is the difference between the scheduled running time southbound and the time usually needed to actually make the run. Sante Fe never put 12 minutes' slack into its schedule. Neither did Amtrak in the past, and there is no justification for it. Santa Fe usually allowed seven minutes' slack time. Claytor offered this justification: "The difference [between the running time and the scheduled time] represents recovery time to take care of enroute delays from which three to five minutes will be required for the new Anaheim stop."

Remember he said that the time gained by track improvements made by Santa Fe was being used up by the Anaheim stop. Actually he said five minutes would be gained by the track improvements and all of that would be needed for the Anaheim stop. Now he says the Anaheim stop will cost the trains an additional three to five minutes in unexpected delays, and that will require the continuation of a schedule that has 12 minutes' slack time between Del Mar and San Diego in it. I'm glad all of the stops on the run don't require three to five minutes to be added to the running time between Del Mar and San Diego—if that were the case, it would be faster to walk from Del Mar to San Diego. What we have here is a statement by Claytor that the five munutes that are going to be needed for the additional stop at Anaheim will be used twice to justify leaving ten minutes of slack in the schedule.

By the way, the trains usually get into Los Angeles ten minutes early too, and for the same reason: an excess of slack time between the last two stations on the run. All the arguments relative to the Del Mar-San Diego run apply equally to the other end of the line.

Ultimately, it is clear no matter what has happened, no matter what is happening and no matter what will happen, Amtrak intends that nothing will result in any improvement of schedules on this corridor. Elsewhere, the Amtrak management and board plan and carry out improvements to the system to speed up the trains they operate. They say it is a system-wide policy. But on the San Diego-Los Angeles corridor, no plans to cut running time have ever been made to my knowledge, no plans are being made and, I expect, no plans are going to be made, unless somebody starts to raise hell.

I have heard a great deal of commentary about the motivation of Amtrak officials. The most commonly expressed opinion is a suspicion that their refusal to improve service relates to the American High Speed Rail

bullet train proposal, and that the problem is that persons in the higher management echelons in Amtrak were all there when Alan Boyd was president of the corporation—in fact, he hired many of them. Now that he is chairman of the board of American High Speed Rail, which proposes to build the bullet train system, his interests would appear to be advanced by Amtrak's present refusal to improve running times. If 20 minutes were taken out of the Amtrak schedule, the American High Speed Rail proposal would look much less attractive to everyone. It would be harder to persuade potential bullet train investors that the general public would be willing to pay fares twice as high as Amtrak's if the savings in time were not so great.

It must be remembered most people who travel in the corridor are not going all the way from San Diego to Los Angeles. The majority of them travel only a part of the route on any given trip. Therefore the savings in time that would be offered to them by a bullet train would only be a matter of a few minutes and would not move them to spend so much to ride the bullet train.

I can not say this is in fact the reason for Amtrak dragging its heels. I only know there must be some reason, and the justifications Amtrak gives for not improving service are all just so much persiflage. They are duplicitous rephrasings of the immortal words of Commodore Cornelius Vanderbilt, the patron saint of railroad executives: "The Public Be Damned!"●

DOES THE MISCHIEF OF THE KGB KNOW NO LIMITS?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOMFIELD. Mr. Speaker, I was shocked to hear of a newly uncovered Soviet scam operation to intercept mail traffic between the U.S.S.R. and the West. Thanks to the good efforts of Congressman BEN GILMAN, this shameful Soviet attempt to cut the lifeline between citizens in the U.S.S.R. and their relatives on the outside has come to the attention of the Congress.

The House Subcommittee on the Postal Operations and Services looked into allegations concerning Soviet piracy of mail going into the Soviet Union. Over 2,251 exhibits were examined. They clearly documented widespread and systematic Soviet piracy of mail traffic between the U.S.S.R. and the West.

The subcommittee investigation revealed that the Soviets intercept 50 to 80 percent of the first-class mail entering that country. They loot or confiscate countless pieces of mail and packages. Soviet officials falsify return receipts from registered letters. The forms are signed by a Soviet postal official, or bear what appears to be the addressee's signature, despite evidence that the intended recipient never saw the letter.

In addition, the Soviets return mail to the West under false pretexts claiming that the recipient's address is unknown, or that the given address is wrong. The Soviets are also getting as much as $16 to $40 million a year in hard currency from the West because of high surcharge fees, and high delivery fees, to include a prepaid duty.

The Soviets have ignored official U.S. Government complaints about their efforts to deny Western mail to Soviet citizens.

I have often spoken of trust as a key element in improving relations and promoting greater understanding between our two nations. The administration is now considering the possibility of renewing arms reduction talks in Geneva with the Soviets. It is disconcerting that the Soviets mail piracy activities are now violating yet another set of solemn treaties which that country pledged to obey. Soviet mail theft is a clear violation of Articles of the Constitution of the Universal Postal Union, the general regulations of the Universal Postal Convention, and the Final Act of the Conference on Security and Cooperation in Europe. A House resolution sponsored by Congressman GILMAN called for U.S. representatives to the Congress of the Universal Postal Union in Hamburg to raise this unfortunate and illegal Soviet practice before the group.

With these concerns in mind, I strongly recommend the following Washington Times article to my colleagues in the House.

TRACING SOVIET POSTAL PIRACY

(By Andrei Bogolubov)

(Andrei Bogolubov is a student of Soviet and Russian history currently working for Citizens for America.)

Amid a welter of conflicting reports, the fate of Andrei Sakharov and his wife, Yelena Bonner, is unknown. Soviet officials rebuffed journalists' inquiries, and curtly rebuked French Prime Minister Francois Mitterand for raising the question on a visit to the Kremlin.

Western reaction has varied from surprise to puzzlement to outrage, depending on the degree to which the Soviets are deemed trustworthy or humane. When a cablegram suggesting all is well was received, some were willing to credit it as genuine, others were less optimistic.

Most ignored the solid body of evidence that emphatically slams the door on the credibility of telegrams from Gorki, indeed, on all private correspondance from the U.S.S.R.

That evidence was presented in detail during a congressional inquiry sparked by Rep. Benjamin Gilman, whose House Subcommittee on Postal Operations and Services—in response to complaints about postal service between the United States and the U.S.S.R.—began to look into the matter more than a year ago.

The result have been startling: more than 2,251 exhibits document widespread, systematic Soviet piracy of mail traffic between the U.S.S.R. and the West. The evidence suggests a concerted KGB campaign to restrict East-West communication, which Mr. Gilman calls "a cold, calculated atttempt to cut the lifeline betyween citizens in the U.S.S.R. and their relatives and friends on the outside."

The investigation, spearheaded by former New York state police official David Eno, has revealed that:

The Soviets intercept an estimated 50-80 percent of the firstclass mail entering the U.S.S.R.

The U.S.S.R. maintains a list of citizens who are prohibited from receiving Western mail.

Countless pieces of mail and packages are looted, disappear, or are confiscated by Soviet officials without explanation or compensation.

Soviet officials routinely falsify return receipts from registered letters. The forms are typically signed by a Soviet postal official or bear what appears to be the addressee's signature, despite evidence that the intended recipient never saw the letter. In one instance, a sender received a return receipt with the signature of the addressee—an inmate in a Soviet prison camp who, it later turned out, had died three years earlier.

The Soviets frequently return mail to the West under false pretexts. The letters or packages are returned with one of several stamps in French, the international postal language. These include: Retour-Inconnu (Return-Addressee Unknown), Parti-Inconnu (Party Unknown), Addresse Inexacte (Improper Address), and others. The most common, simply Inconnu (Unknown), has become the name of the subcommittee's investigation. Mr. Gilman has gathered evidence which proves that these stamps are being cynically employed to deny Western mail to Soviet Citizens.

Most shocking of all is the proof that the Soviet Union is engaged in a parcel post scam aimed at securing the hard currency the Kremlin covets. The racket works this way: a package is returned to the West with one of the familiar stamps in French and the sender pays the Soviets a steep surcharge of 50-200 percent for postage and handling. The hapless sender is forced to turn to one of several Western firms which are registered with the Soviet government and are able to guarantee delivery for a $150-300 fee.

After the Soviets collect a "prepaid duty" from the firm, chances improve that the package will reach its destination. Between the surcharges and the prepaid postage, it is estimated that the Soviet government pockets a tidy $16-40 million a year.

The U.S. Postal Service has lodged repeated complaints with the Soviet Ministry of Posts and Telecommunications. Soviet responses have been perfunctory, and Soviet officials staunchly deny any wrongdoing: U.S. Postal officials testified that they shared the frustration of the victims of these Soviet abuses, and said they have revamped their procedures and issued a booklet, Guidelines for Mailing to the Soviet Union.

Such Soviet behavior is a clear violation of the Articles of the Constitution of the Universal Postal Union, the general regulations of the Universal Postal Convention, and the Final Act of the Conference on Security and Cooperation in Europe—all of which were signed by the Soviets.

Mr. Gilman offered House Concurrent Resolution 294 as a first step in addressing this problem. The bill requested the president to express to the Soviet Union America's disapproval of these violations of international agreements. Furthermore, it directed U.S. delegates to the recent Congress of the Universal Postal Union in Hamburg,

Germany, to raise the issue before the body and call for an investigation and possible sanctions against the U.S.S.R.

In line with the resolution, which sailed through the House and Senate by unanimous vote, our delegation offered four resolutions to correct these abuses. Although we did not mention the U.S.S.R. by name, the Soviets reacted vehemently. "We condemn the hostile and provocatory activities of Mr. B. Gilman," they declared, "which for many years have been aimed at disrupting normal mail traffic between the U.S. and the U.S.S.R."

"Investigation Inconnu" offers several lessons.

It demonstrates Soviet contempt for the basic norms of international law and their willingness to flout any treaties if it suits their purposes.

It indicates an escalating KGB effort to isolate the Soviet people from the rest of the world; and this, in conjunction with the sharp drop in emigration, telephone service, and other recent Soviet moves to restrict contacts with the West is a chilling omen of things to come.

Finally, and sadly, Mr. Gilman's inquiry shows that telegrams from Gorky prove nothing. We will know nothing for certain about the Sakharovs until we can get independent corroboration from non-Soviet sources. That brave couple are still, in Alexander Solzhenitsyn's words, "in the belly of the dragon," and we should have no illusion about the nature of the beast.●

A TRIBUTE TO W. BLAIR THOMPSON

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. TRAXLER. Mr. Speaker, I rise before this distinguished body today to pay tribute to a special individual on the occasion of his recent professional advancement within the General Motors Corp.

W. Blair Thompson, who currently resides in my district, will soon be leaving for bigger and better opportunities in the Detroit area as GM's vice president and group executive in charge of the eight-division mechanical components group. He will be sorely missed.

Blair began his career with General Motors in 1945 as a cooperative student with Saginaw Steering Gear Division. After receiving a bachelor of science degree in industrial engineering from the General Motors Institute in 1949, Blair held a number of engineering positions as Saginaw Steering Gear Division. In 1959, Blair was awarded a Sloan Fellowship and earned his master's degree from the Massachusetts Institute of Technology.

In 1966, Blair was named chief engineer of the Saginaw Steering Gear Division. Following his impressive career path, we find that in 1974 Blair was appointed general manager of Delco Products Division, in Dayton, OH, a post he held until 1981 when he was appointed general manager of Packard Electric Division in Warren, OH. In 1982, Blair returned to Saginaw as general manager of the steering gear division.

Since Blair's return to the Saginaw area in 1982, he has risen to a stature within the community of which few people can boast. The vast energies he has devoted to our community organizations and charitable activities have made Blair a pillar of the community. During his stay in Saginaw, Blair was noted as the top business leader in Saginaw County.

He is also a founder, along with myself, of the business-labor-government committee of the Saginaw Area Coalition for Economic Growth. This unique, precedent-setting coalition was formed to foster cooperation between business, labor, and government in order to promote and preserve jobs in Saginaw County.

He is also a member of the board of fellows of Saginaw Valley State College; and a member of the board of directors of both the United Way of Saginaw County and the Saginaw County Chamber of Commerce. Last year, Blair also received special recognition awards from the Tri-City SER and the Saginaw branch of the NAACP for his outstanding contributions to minority affairs in our community. And it cannot go without mentioning that under his most capable leadership, Saginaw Steering Gear Division was selected by General Motors to build its prototype "Factory of the Future."

Mr. Speaker, upon hearing this list of his outstanding accomplishments, I am certain that you and the Members of this distinguished body will join with me in saluting W. Blair Thompson. We wish him continued success in every future endeavor.●

HIP WO SCHOOL CELEBRATES 60TH ANNIVERSARY

HON. SALA BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mrs. BURTON of California. Mr. Speaker, this month the Hip Wo School in San Francisco will celebrate its 60th anniversary. It is the oldest Chinese school in the United States. I wanted to bring to the attention of my colleagues the accomplishments of this fine institution. A synopsis of the school's history follows:

The Hip Wo School is the oldest Chinese school in America.

"Hip wo" stands for "unity and harmony."

Founded in 1924 by members of the Chinatown community and the Chinese Congregational, Methodist, and Presbyterian churches, Hip Wo has served over 15,000 students so that they would not lose their most vital asset, their cultural heritage.

Spanning over three generations of Chinese Americans, Hip Wo's students and alumni are the builders of a great East-West bridge carrying the best of both worlds, the old and the new.

They have made numerous contributions to America, and many are positive role models of the Chinese-American community.

The much-awarded Hip Wo Marching Drum and Bell Corps is one of the oldest Chinese-American drum corps in America.

Among its many accolades over the years, the Hip Wo Marching Drum and Bell Corps has recently added the first place trophy in the 1984 Chinese New year's Parade, an honor traditionally accorded to the premier drum corps of the community.

Through the Great Depression of the 1930's, World War II of the 1940's, the cold war of the 1950's, the social upheavals of the 1960's, the population and immigration booms of the 1970's and the 1980's, Hip Wo School has conducted classes in Cantonese and Mandarin, grades K-12, afternoons and evenings daily without interruption.

Cantonese and Mandarin are the two major dialects most commonly used and most widely taught in China.

The feelings of Hip Wo's alumni, students, faculty, administration, and board of directors are perhaps best summed up with these words:

Lest We Forget those who have gone before us to make our journey easier.
Lest We Forget those who have done so much to make us what we are.
Lest We Forget the children who must follow in our footsteps.
Lest We Forget those who have had to stand alone in the crowd.
Lest We Forget that tomorrow will always be better than today for what we have done.
Lest We Forget we are Chinese Americans.
Let Us Not Forget Hip Wo School and all who will follow in the generations to come.●

ALL-TOO-FAMILIAR HORROR STORY

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HUBBARD. Mr. Speaker, while in Kentucky during the August congressional break period, I read an excellent editorial published in the August 24 edition of the Paducah Sun, in Paducah, KY, the largest city in my congressional district.

The editorial, written by the newspaper's editorial writer Don Pepper, describes the tragic consequences that occur all too often when the criminal justice system in this country goes

awry. I commend Mr. Pepper for his thought-provoking editorial comments, and I urge my colleagues in the House to read them closely.

The editorial follows:

[From the Paducah Sun, Aug. 24, 1984]

ALL-TOO-FAMILIAR HORROR STORY

(By Don Pepper)

It's hard to know where to start when you try to assess blame for the gruesome murder of teenager Danny Bridges in Chicago.

You start with Larry Eyler, of course. If police are right, it was he who stabbed the boy, a 16-year-old prostitute, cut up his body into eight pieces and threw it away.

But there's a lot of blame to go around.

You could start with the neighbor who introduced the boy to homosexual sex at the age of 9. You could go on to the men who used him every time he'd run away from home. He ran away a lot during the seven years left to him, and he supported himself by prostitution.

He was interviewed by the Chicago Tribune once in a series about the thousands of children who run away from home every year and are exploited sexually. He also appeared on NBC television talking about the same subject.

Nobody seemed able to help him, though, as a police officer said, "He was a basically good kid who never had a chance."

Or you could start at the other side, with Eyler, a 31-year-old house-painter.

Eyler is being investigated now for 19 murders.

The one that makes you throw up your hands in helplessness is the next-to-last one. Police arrested him for the murder of Ralph Calise, 28, whose bound and mutilated body was found in suburban Chicago.

His bond was set at $1 million. But then a judge discovered that some of the evidence against Eyler—there was a bloodstained knife, handcuffs, tape and rope like that used in the murder—had been illegally seized by police from Eyler's truck.

Appalled by this violation of the rules of the game, the judge reduced the bail to $10,000. Eyler was able to post that all right, and he was released.

On Tuesday, they found young Bridges's body cut up into eight pieces and discarded in a trash container near Eyler's apartment. They arrested Eyler. On Thursday the grand jury indicted him. This time he's being held without bail.

We hope the police didn't violate any rules this time.●

THE PITTSBURGH JOB CORPS CENTER

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. COYNE. Mr. Speaker, more than 700,000 young adults have benefited from the services of the Job Corps during the past 20 years. In the Pittsburgh center alone, 1 of 3 in Pennsylvania, 7,000 young people have received training and job placement since 1972.

September 20 marks the 20th anniversary of the corps. For the Pittsburgh center and the 105 other centers around the Nation, it is Job Corps Day, a time to reflect on the accomplishments of two decades of successful work with the unemployed.

I know I share the feelings of my colleagues in congratulating the employees of the corps, and those who have made use of its services, on jobs well done. This is a Federal program which works. Congress should take note of the accomplishments not only on September 20, 1984, but on the day we vote to reauthorize this program so that others can benefit in the years to come.

At this point, I would like to include in the CONGRESSIONAL RECORD some details on how the Pittsburgh Job Corps Center has served our community:

PITTSBURGH JOB CORPS CENTER

Job Corps is the U.S. Labor Department's free enterprise answer to skill training for disadvantaged youth. Using the expertise and no-nonsense methods of the large corporate skills training systems, it offers residential, vocational and academic education plus behavior training, stipend, and medical care to motivated young adults from the poverty zone. Job Corps is twenty years old, established in 1964, and has 105 centers operating in 41 states, the District of Columbia, and Puerto Rico. The Pittsburgh Center, one of three in Pennsylvania, has opened training and job placement vistas for over 7,000 youth.

The Pittsburgh Center opened in January 1972 to 200 young men. It currently serves 340 young men and women. It is operated by Teledyne Economic Development Company in conjunction with the AFL-CIO Appalachian Council, Incorporated. Trades offered are: Auto Mechanics, Food Service, Telecommunications, Business/Clerical, Metals (welding), Building Maintenance, and Health Occupations. In addition there are 60 Corpsmembers who attend Community College of Allegheny County, Allegheny Campus. Approximately 180 males and 70 females live in strictly supervised dormitories. There are 90 non residential corpsmembers from the Greater Pittsburgh area.

Seventy percent of the entering corpsmembers at the Pittsburgh Center graduate; average length of stay is ten months. Also, a significant number of Pittsburgh graduates are sent to Job Corps Advanced Programs.

Other corporations operating Job Corps Centers under contract to the U.S. Department of Labor are Control Data, AVCO, Singer, RCA, and I.T.T. Along with business, trade unions are also very involved in the vocational training. Besides the AFL-CIO, other unions include the United Auto Workers, The Maritime Union, and The Home Builders Institute (National Association of Home Builders.)

OTHER JOB CORPS PERFORMANCE FACTS

A. The average Job Corps graduate returns the full cost of his/her program to the government via taxes paid on wages earned in five years, and is thereafter a net producer.

B. The average Job Corps graduate enters the labor market at a starting wage of $1.00 per hour higher than his/her counterpart who did not enlist in the Job Corps.

C. The Job Corps historically has had the support of both political parties, because it is the only consistent success among social reclamations programs.

D. The average Job Corps graduate is 65% less likely to enter the mental health, social assistance, or criminal justice systems than the non-Job Corps citizen from the poverty sector.

E. The health care services alone provided by Job Corps through medical interventions at a young age, eliminates costly drain on the public health system in later life.

F. Seven Job Corps enlistees in ten graduate; 95% are placed, most in full time, nonsubsidized, higher-than-minimum wage jobs.

G. Job Corps is the largest single mobilizer of young women from the poverty sector into non-traditional, formerly all male trades, thereby significantly increasing the income of young women.

1. PITTSBURGH JOB CORPS CENTER COMMUNITY FACTS

A. Opening Date Corpsmember arrival: January 1972.

B. Geographic Background of Corpsmembers: 51.3% from Pennsylvania; 35.7% from Pittsburgh; 10.4% from West Virginia; 2.6% from other States.

C. Center Corpsmember Composition: 340 Corpsmembers of which 250 reside on Center and 90 are nonresident; 50% are black and 50% are white; 205 men and 135 women.

D. Total number of youths served to date: 7,000 +.

E. How Youth Enter: Economically underprivileged recruited by AFL-CIO Appalachian Council 232-3405 Joint Action in Community Service (JACS) 392-4484.

F. Organization: Operated by Teledyne Economic Development Company in conjunction with the AFL-CIO Appalachian Council under competitive contract (every two years + options) to the U.S. Department of Labor (Region III, Philadelphia, PA.

G. Enabling Legislation: Public Law 93-203 Title IV, 1973, PL 95-524, 1978 and PL 97-300, 1980.

H. Economic Impact on Pittsburgh: Over $4,500,000 a year represented by staff salaries, corpsmember's stipends, and goods/services purchased.

I. Future Developments: Center will move from its current address to the former Marcy State Hospital site (East Liberty/Homewood) in 1985.

2. PITTSBURGH JOB CORPS PROGRAM FACTS

A. Vocational Selections: Auto Mechanics; Food Service; Telecommunications; Business/Clerical; Metals (Welding); Health Occupations; Community College of Allegheny County (Various Courses); Building Maintenance.

B. Basic Education: Math; Reading; GED (General Equivalency Diploma); Cultural Awareness/Carry Over Community Living; Health Education; Driver's Education; Leadership Training; World of Work.

C. Advance Career Opportunities: Community College of Allegheny County; Clerical—Brotherhood Railway and Airline Clerks (BRAC) (Minneapolis); Chef's Treasure Island Culinary Arts School Maritime Union (San Francisco); Automotive Training United Auto Workers (UAW) (Utah).

D. Career Development: Orientation; Occupational Exploration Program; Work Experience; Community Outreach; Placement; Industry Work Experience Program (IWEP).

E. Center Life: Recreation; Corpsmember Government; Awards; Big Brother/Sister; Counseling; Group Life Program; Sports; Clubs.

F. Length of Stay for Completion: 90 days to 3 years depending on Corpsmember's progress.

G. National Enrollment: 40,000+Corpsmembers in 105 Centers; (⅔ contracted (to major industry) centers. ⅓ Government operated conservation centers.

H. What is the goal of Job Corps? To have Corpsmembers acquire entry level job skills and be able to live independently as productive citizens of the United States of America.●

QUIPPIAN CLUB

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. KOLTER. Mr. Speaker, I rise today to grant recognition to an organization located in the Fourth Congressional District of Pennsylvania. I am speaking about the Quippian Club of Aliquippa, PA.

I am proud to add my voice to the many others who have praised the Quippian Club as it gathers to celebrate its 50th anniversary. Many outstanding individuals have combined to make this organization the success that it has been for 50 years.

The Quippian Club has been involved in many worthwhile community projects over the years. Many exceptional students at Aliquippa High School have benefited from scholarships provided by the Quippian Club through its scholarship program. This club is a model of hard work and determination. It has helped raise the spirits, goals, and ambitions of many young adults. The club has continued its good works through very difficult economic times in an area that has been devestated by the recession and has not seen any recovery.

I applaud the Aliquippa Quippian Club for all its accomplishments of the past 50 years and I wish it another 50 years of continued success. To the members of the club, I wish many years of health and happiness. Congratulations, to all of you.●

U.S. TRADE DEFICIT AT ALL-TIME HIGH

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BEDELL. Mr. Speaker, while we were in recess for Labor Day, the Commerce Department announced that the U.S. trade deficit for July soared to an all-time world record for 1 month: $14.1 billion. Over $14 billion in just 1 month. This far exceeds the previous 1-month world record which the United States set in April. It also means that in just the first 7 months of this year we have roared past last year's all-time annual world record trade deficit.

Last year's $69 billion trade deficit was unprecedented in world history and shocking to us and to the Nation. But this year, just through July, the U.S. trade deficit was $73.8 billion; and it will be at least $120 billion for the year—possibly as much as $140 billion. By this time next year, U.S. foreign borrowing to offset these enormous trade and current account deficits will cause the United States to become a debtor nation for the first time since we emerged as a major world power in 1917.

These incomprehensible numbers represent the grudging loss to American producers of enormous markets both here and abroad. Once lost, these markets will be very difficult to win back. And this is not an isolated problem of one or two industries which have lost their competitive advantage to more efficient producers abroad. American agriculture, unquestionably the world's most efficient producers, saw their traditional trade surplus shrink in July to its lowest level since records have been kept.

The major cause of this economic crisis is the overvaluation of the dollar which, according to the Federal Reserve, has appreciated by more than 65 percent since July 1980. Just yesterday the dollar hit its all-time high on the Federal Reserve's index, and it is rising even more rapidly this year than it did in 1981, 1982, and 1983. Data Resources estimates American job loss due to the overpriced dollar at about 1.5 million; others estimate job loss in traded industries at over 3 million. Companies' profits have been severely squeezed as they fight to hang on to their markets—but they cannot hang on forever. Protectionist pressures have become intense.

We need action, and we need it now.

The National Association of Manufacturers [NAM] has recently sent a letter to Treasury Secretary Regan outlining their very serious concerns for the continuing effects of the overvalued dollar and seeking a meeting with NAM president Trowbridge, a group of NAM business leaders, and Secretary Regan to discuss the dollar problem. I wholeheartedly support this NAM initiative and I would ask that Mr. Trowbridge's letter to Secretary Regan be included in the RECORD.

I have introduced House Joint Resolution 585 directing the President and the Federal Reserve Board to take certain actions to lower and to stabilize the international exchange rate of the dollar. Both the National Association of Manufacturers and the AFL-CIO have joined with a number of cosponsors supporting this nonpartisan initiative. This binding resolution reaffirms the very responsible commitments which all the major industrial countries—including the United States—agreed to at last year's Williamsburg Economic Summit. It established the foundation for future congressional oversight into the implementation of these agreements.

Very briefly, House Joint Resolution 585 does three things:

First, it establishes the connection between the budget deficit and the expensive dollar, providing one of the most compelling arguments for immediate budget deficit reductions, and commits Congress to continue its efforts to reduce the budget deficit.

Second, it directs the President and the Federal Reserve to abide by the Williamsburg agreements and stengthen U.S. cooperation with the central banks of our major allies to reduce the misalignment of the dollar while ensuring noninflationary economic growth.

Third, it calls on the President to never say never concerning exchange market intervention. It directs the President to formally withdraw an early statement of blanket nonintervention in exchange markets except after a crisis arises, and to reaffirm the Williamsburg commitment of responsible exchange market stewardship.

I urge you to examine House Joint Resolution 585 and to support it. The European monetary system has illustrated that if there is a commitment to maintain reasonable and stable exchange rates it can be done. The United States must take the leadership role in addressing this fundamental economic problem. We must not continue down the self-destructive being followed today. The stakes are too high for us to wait until next year to act. I welcome your support of House Joint Resolution 585.

NATIONAL ASSOCIATION
OF MANUFACTURERS,
Washington, DC, August 15, 1984.

Hon. DONALD T. REGAN,
Secretary of the Treasury, Office of the Secretary of the Treasury, MT, Main Treasury, Washington, DC.

DEAR DON: I am writing to express our continuing concern that the high dollar has caused a serious erosion of U.S. competitiveness, and if uncorrected, ultimately will bring about a structural decline in our industrial base. While a weakening of the dollar was widely predicted in 1984 due to record U.S. trade and current account deficits, the renewed upsurge in the dollar's strength against all foreign currencies belies the assumption that the dollar must fall shortly. The result is the relentless increase in our trade deficit.

The trade deficit in 1984 is expected to be in the $100 billion to $120 billion range, a major increase over last year's record deficit of $70 billion. Most of the increase in the deficit is in manufactured goods, probably rising to $75-80 billion from last year's record $40 billion. As recently as 1980 the U.S. had a trade surplus of $5 billion in manufactured goods.

In the period 1980-83, in volume terms exports were down 22%, while imports rose 41%. Imports have been rising in this recov-

ery 3 times faster than the average rate of the past 5 recoveries. The import rise is across the board in manufactured goods and is not concentrated in consumer goods and automative products as in previous recoveries. Capital goods imports now exceed imports of either automotive or consumer goods. Capital goods import growth is astounding—during the first half of 1984 accounting for 25% of U.S. consumption, in contrast with 18% in 1983 and 8% in 1970. In 1981 the U.S. had a trade surplus in capital goods of $46 billion and during the first half of 1984 the surplus (annualized) had fallen to $15 billion.

Is the U.S. making up for capital goods, automotive and consumer goods trade balance declines in the high-tech area? Quite the opposite. In the first 5 months of 1984 imports were running at the annual rate of $55 billion, i.e., 35% higher than in 1983 and double the 1980 figure. The projected high-tech goods surplus for 1984 is $6 billion, in contrast with $17 billion in 1983 and $25 billion in 1980.

Employment in the manufacturing sector of our economy was 19.6 million in May 1984, half a million below the 1981 level and only slightly above the 1970 level.

The exchange rate for the dollar is the Number 1 cause of the poor U.S. trade performance. The Council of Economic Advisers estimates that about half the 1984 trade deficit is to be accounted for by the strong dollar. The other half is explained about equally by worldwide business cycle conditions (more rapid U.S. growth than growth abroad) and the developing country debt problem (particularly in Latin America).

Unfortunately, the administration has enunciated no credible strategy respecting the dollar exchange rate problem. NAM's Board of Directors expressed its views last February by unanimously adopting the enclosed exchange rate resolution. Our views can be summarized as follows:

How to Correct the Exchange Rate Problem: Reduce the Budget Deficit and Modify the Operation of the Floating Exchange Rate system.

We suggest a comprehensive approach to the value of the dollar and the improvement of the floating exchange rate system:

1. Reduce the budget deficit, thereby reducing interest rates and capital inflows.

2. Improve international consultation and coordination regarding macroeconomic policies among major countries, as recommended at the 1983 Williamsburg economic summit.

3. Reintroduce a greater degree of structure into the international monetary system, without resorting to excessive levels of currency intervention.

4. Raise the value of the yen by fully implementing the November, 1983 agreement made by President Reagan and Japanese Prime Minister Nakasone to internationalize the yen, and by other means. The May 1984 yen-dollar agreement is an important first step, but only a first step.

The major consequences of continued inaction with respect to the exchange rate for the dollar are these:

1. Further erosion of the U.S. industrial base, with negative distortion accentuated respecting our capital goods and high-technology industries, as well as unnecessary decline in traditional industries such as automobiles, steel and textiles.

2. Shortening the current economic expansion and adversely affecting future U.S. economic expansions because such a large part of the "multiplier" effect of increased U.S. consumption and investment is not taking place in the U.S. but is taking place abroad at the source of the production of the capital goods, high tech equipment, and other manufactured goods that are fueling the import boom.

3. Accentuation of the developing country debt problem because the combination of the high dollar and high interest rates adds to the difficulties of earning sufficient foreign exchange to service the debt, which is mainly denominated in dollars.

4. Creating great risks that when the dollar does begin to fall—perhaps some years from now—the fall may not be orderly but quite the opposite. Presumably huge trade and current account deficits will ultimately bring the dollar down, but will it be a soft landing?

We are, of course, mindful of the temporary advantages that can be ascribed to the high dollar: capital inflows to help finance the budget deficit and indirectly to keep interest rates from rising further, the anti-inflationary effect of imports at artificially low prices, and the short-term gain to our standard of living. However, each of these points has flip-side negative aspects which represent longer term major pitfalls for our economy.

I know that you have analyzed the subject of the high dollar extensively and the Administration may be doing more to deal with this problem than we are aware of. I suggest that I and a group of NAM business leaders meet with you at a convenient time to go into the exchange rate problem in a thorough way, particularly with regard to steps to help put in place a program that can enjoy widespread business support.

Sincerely,

ALEXANDER B. TROWBRIDGE,
President.●

RAY WEIGEL—A LIFETIME OF CARING, A LIFETIME OF INVOLVEMENT, AND A LIFETIME OF SUCCESS FOR MANY TO SHARE IN

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. VANDER JAGT. Mr. Speaker, businessman, community leader, philanthropist, humanitarian—we use these words often to describe various individuals who contribute in one way or another to the world in which we live. Rarely, however, are we able to apply these words to one man—and to demonstrate with the deeds of a lifetime that they are deserved.

It is with a great deal of personal pride that I take this opportunity to bring to the attention of the House the lifetime of dedication to his fellow man and personal achievement in both business and service of Raymond A. Weigel of Cadillac, MI, my own hometown.

Thirty-eight years ago Ray Weigel came to Cadillac and to Kysor Industrial Corp. as a young man dreaming dreams—seeking his vision of the future. In the decades since then he has, we sincerely hope, seen the fulfillment of his dreams. What we know is that his life and work have contributed immeasurably to the fulfillment of the dreams and visions of the countless number of people whose lives he has touched.

When Ray Weigel came to Kysor and to Cadillac, the city he is proud to call his home, it was to assume the position of assistant to the president of the corporation. In 2 years he was named general manager of the company—and 5 years later assumed the Presidency. The recognition of his business talent within the company was matched by the awareness of his colleagues in the business world and by those in the public sector. In one of the first of many appointments which recognized not only his business acumen but his dedication to his fellow man, Ray Weigel was one of the invitees to the President's Conference on Occupational Safety under the sponsorship of President Eisenhower in 1954. Twenty years later—Kysor having grown under his sponsorship and direction into a multinational manufacturing concern, Ray Weigel visited Kysor's joint venture in Monterray, Mexico, and before he left insisted on improvements in lighting and sanitation to enhance the quality of life for "his workers."

Over and over again, as he has taken a personal interest in the people around him, Ray Weigel has demonstrated the deep concern which he has for the people who work with and for him, and the people who share his life in the beauty of northern Michigan.

I would be remiss if I did not point out that these qualities of concern and compassion are enhanced by his wife, Wavelet, who has dedicated herself to sharing with Ray his zest for life and for touching and improving the lives of those who surround them. It was many years ago that the Weigels faced their own special medical crisis with their lovely daughter, Sandy, and out of that experience has grown a deep commitment to lessening the burdens which others bear. Time and again over the years, the Weigels have demonstrated, in their community and in the conduct of business, that the quality of life is sacred and that they take very seriously the responsibility which we each share as members of the family of man.

As Ray has demonstrated over the years his ongoing interest in the health and welfare of his employees, he continued from that early recognition, to demonstrate his dedication to his business and to his community.

Ray Weigel has been a one-man band, playing the song of the glories of Michigan in general and northern Michigan in particular, for all of his life. Ray contributed to the expansion of financial services to his home community of Cadillac by leading in the

organization of what is now the major financial institution in the Cadillac area. Over the years he has served in a number of ways to promote the interests of the State of Michigan and has been appointed by Governors of both parties to serve as a representative of the State in such diverse situations as an "Industrial Ambassador" to the Seattle World's Fair of 1962, the International Trade Advisory Council formed in 1965, and the Economic Alliance for Michigan which grew out of a continuing concern of State political and business leaders for the long-term economic health of our area.

In addition to lending his considerable business talents to the industrial world, Ray Weigel has taken the time to contribute to the development of young business efforts in his local area and in the State. As one example, in the early seventies he took under his wing a pair of young black entrepreneurs from Detroit and made available the business acumen of his colleagues at various levels at Kysor to develop a solid business which was able to provide products to such national retailers as K-Mart and Sears.

Not content with his commitment to schooling these young people in business, Ray expanded the social horizons of the people of Cadillac and Detroit by arranging that many of the tutorials were in the form of events which improved and enhanced the cultural awareness of both communities.

Today, some 30 years after assuming the presidency of the company, 20 years after becoming its chairman and chief executive officer, Kysor Industrial is a mainstay of the economy of northern Michigan—and indeed a powerful contributor to the need for expansion of Michigan's industrial base. That this is so is a testament to not only the hard work of Ray Weigel, but also to his vision and his willingness to dream dreams.

That the quality of life in Cadillac and the northern Michigan area is also immeasurably improved is witness to Ray Weigel's concern and sensitivity for his fellow man. A concern and commitment which continues and grows each day as he goes about the business of business and the business of life.

The people of the Cadillac area are going to recognize the special contributions of Ray Weigel to their community with a dinner on October 5, 1984. It is a testament to the esteem in which he is held that the dinner will be attended by business and political leaders from around the State. I will be proud to join them, and the people of Cadillac in recognizing a truly outstanding man—one who has indeed earned the right to be called businessman, community leader, philanthropist, and humanitarian. I am pleased to have this opportunity to bring to the attention of my colleagues in the Congress the achievements of this outstanding individual and know that they join me in wishing him well in the future.●

TRIBUTE TO PALISADES PARK LITTLE LEAGUE

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. TORRICELLI. Mr. Speaker, I would like to take this opportunity to commend and recognize the great achievement of the Palisades Park Little League. Indeed it is quite a triumph that this team has earned the title of the New Jersey State Little League Champions.

I am very proud of this accomplishment and I know that the citizens of Palisades Park, NJ, join me in applauding the victory of the team manager, Marc Bozzetti, the coaches: Brian Casey, John Aversa, Sandy Brown, and Jim Fortanascio, and especially the players: Iaso Sekiguchi, Jim Ross, Joe Cirillo, Maki Takahashi, Matt Piccini, Sean Gurski, Tony Montemurro, Jason Hockenberry, Dave Vozzo, Ed Aversa, John Tarabocchia, Chris Pallotta, Mike McCarthy, Sandy Christian, Glenn Pallotta.

Congratulations on a fine performance.●

SIXTEENTH ANNIVERSARY OF THE SOVIET INVASION OF CZECHOSLOVAKIA

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BIAGGI. Mr. Speaker, August 21, 1984, marked the 16th anniversary of the Soviet invasion of Czechoslovakia—an occupation that is still ongoing. At this time, I would like to recognize this infamous anniversary and reaffirm my unbending support for the aspirations of those Czechoslovakians who desire to live unshackled by the yoke of Soviet-sponsored Communist tyranny.

On August 21, 1968, in the midst of a summer of both great tension and hope for Czechoslovakians, the dreams and aspirations of true freedom for Czechoslovakia were shattered by a full scale invasion by the Soviet Red Army and the Warsaw Pact allies. When it was on the brink of reforms and changes that could have significantly made life better for all Czechoslovakians, the Soviet leadership saw fit to shatter that hope and maintain its brutal stranglehold over the Czechoslovakian people.

Within a year the Soviets had fully consolidated their hegemony over Czechoslovakia, yet, the Red Army has remained and Czechoslovakia remains firmly in the grasp of Soviet domination. The presence of the Soviet Red Army is a constant and grim reminder to all Czechoslovakians of the inhumanity, oppression and brutality of Soviet-sponsored communism. Despite the genuine desire of so many Czechoslovakians to be a free and independent people, Soviet rule continues to impose on the Czechoslovakian people a Communist dictatorship. It is a dictatorship that has consistently ignored even the most basic human rights and one that unjustly denies the Czechoslovakian people of their freedom and right to self-determination.

I feel it is vitally important that we here in the free world never forget the Soviet invasion of Czechoslovakia and the grim legacy of Soviet expansionism in Eastern Europe. The invasion of Czechoslovakia, the Soviet enslavement of Eastern Europe, the Soviet invasion of Afghanistan, the Korean Airline massacre, continuing Soviet violations of human rights, and the imposition of martial law in Poland to crush the hope for freedom raised by Solidarity, are all examples of the danger and brutality of Soviet communism. The 1968 Soviet invasion of Czechoslovakia was not an event that will disappear and be forgotten in the annals of history. That cruel example of Soviet disregard for freedom and self-determination has been repeated all too often since 1968. Poland, Afghanistan and the Korean Airline massacre all stand as vivid evidence of Soviet inhumanity and disregard for human rights.

The history of communism as practiced by the Soviet Union and evidenced by the enslavement of Eastern Europe and other sovereign nations should be heeded as a warning that the freedoms we now enjoy are indeed precious. To protect those freedoms we must never turn our backs on Soviet encroachments on human freedoms and basic human rights—both past and present. We must continue to express our unequivocal opposition to, and condemnation of, all Soviet violations of human rights and the rights of individual nations to self-determination. In doing so we must also continue to express our solidarity with, and unwavering support for, all those living under the yoke of Soviet-sponsored communism who seek freedom and self-determination. The history of communism as practiced by the Soviet Union has been one of unprecedented infringement upon human rights and national sovereignty. In commemorating the Soviet invasion of Czechoslovakia we must also reaffirm our commitment to stand up and speak out against Soviet injustices. To remain

silent would be an even a greater crime against humanity.●

TRIBUTE TO ZION BAPTIST CHURCH, HILLTOP, MD

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DYSON. Mr. Speaker, I rise today to pay tribute to the parish of the Zion Baptist Church, in Hilltop, Charles County, MD. The members of this church will join together to celebrate their 100th anniversary this fall.

Zion was organized in 1884 under the guidance of Reverend Nelson, as an outgrowth of its mother church, the Mount Hope Baptist Church. In 1902, under the leadership of Rev. R.B. Ward, the first church building was constructed and was known as the Little Zion Baptist Church. Its membership came from near and far to hear the word preached by Rev. J.P. Mitchell, as he served the church for 15 years in faith and love.

Through the dedicated administration of Rev. E.T. Broadus, who succeeded Reverend Mitchell, many persons were converted and joined the little church. After 21 years of inspiration, Reverend Broadus retired and turned the leadership of the church over to Rev. G.W. Richardson.

Reverend Richardson served faithfully for 16 years and during this time a new building was started. With his officers Deacons Harrison Ross, Harry Warren, John Ross, Robert M. Dent, John Washington, Samuel Warren, Roland Garner, Yelly Warren, James Lee, Henry Riley, and Otten Swann work on the building progressed. The officers and members continued their efforts even after Reverend Richardson resigned, and their sacrifices, donations, and labors were finally rewarded in 1956 when the church was completed. At this time a young minister, competent and energetic, the Reverend Earl Mathis answered the call for a pastor of Zion Baptist Church, and served admirably for 2 years.

The little church searched for a leader with concern and prayer. Their prayers were answered as the Rev. Willis S. Wall accepted the call to Zion. Under his leadership, the church had a rebirth and much was accomplished in the glory of God. A gospel chorus was formed and hymns were sung to the music provided by a lovely new organ; worshiping parishoners welcomed the new pews and pulpit, and the communion table that was added. Numerous additions included carpeting, office equipment, an annex to accommodate the various church functions that continued to grow in size and spirit. As the word was preached and reached out to more and more, the small church grew and took on a new appearance both inside and outside. Reverend Wall celebrates his 25th anniversary as pastor of Zion Baptist Church in 1984. He deserves a great commendation for his dedication and service to God and man.

Today, many members of Zion Baptist Church are direct descendents of the original founders. Each week they continue to join together to share the spiritual fulfilment and love of God in the church that has been the fruit of their labors, and I am proud to share this moment in history with the members of Zion Baptist Church on their 100th anniversary.

A BILL TO ELIMINATE INTERIOR'S ANNUAL REPORT ON SHUT-IN OCS WELLS AND OTHER REPORTING REQUIREMENTS

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. JONES of North Carolina. Mr. Speaker, today I am introducing a bill, based on recommendations from the General Accounting Office [GAO], to eliminate certain reporting requirements of the Department of the Interior contained in section 15(1)(D) of the Outer Continental Shelf Lands Act [OCSLA], as amended, and sections 601 and 606 of the Outer Continental Shelf Lands Act Amendments of 1978 [OCSLAA]. The purpose of this bill is to eliminate unnecessary paperwork, resulting in a reallocation of resources to other important OCS activities, and direct savings for both government and industry.

Sections 15(1)(D) and 601 require the Secretary of the Interior to submit annually a list of all shut-in—not producing—oil and gas wells, and wells flaring—burning off—natural gas on leases issued udner OCSLA, and to indicate why each well is shut-in or flaring and the actions the Secretary intend to take with respect to such wells. In addition, the Comptroller General is required to evaluate Interior's report every year and report his findings and recommendations to the Congress. Section 606 requires the Secretary of the Interior to conduct a continuing investigation or the availability of OCS oil and gas resources, including a determination of the maximum attainable rate of production [MAR] of OCS oil and gas; an analysis of whether the actual production has been less than the MAR and why; an estimate of the total discovered and undiscovered OCS oil and gas resources; and an independent evaluation of trade association procedures for estimating OCS reserves and production capacity.

Since enactment of the Outer Continental Shelf Lands Act Amendments of 1978, GAO has issued five reports to Congress reviewing and evaluting Interior's OCS shut-in and flaring well reports. In its reports, GAO has questioned whether the Interior Department's reports have fulfilled the intent of the Congress and whether continuing to require such reports would serve a useful purpose. In its last report of October 24, 1983, the GAO found that Interior's report is less necessary in light of the full decontrol of oil prices in 1981 and since controls over natural gas prices are currently being phased out; that Interior had implemented GAO's past recommendations to improve it; that the report is expensive to prepare, and the resources spent could be better utilized and that eliminating the reporting requirement would not diminish Interior's responsibility for monitoring and regulating OCS lease activities to ensure efficient development of oil and gas resources. Therefore, the GAO continues to recommend the elimination of the reporting requirement.

The Department of the Interior has testified that the substantial time, money, and effort required to prepare the shut-in and flaring well report is an unnecessary burden, and the elimination of the report would release resources to serve higher priority needs. The preparation and review of the report costs both the Department of the Interior and the GAO a combined total of about $250,000 annually.

Another GAO report, issued on September 10, 1982, has recommended the repeal of section 606 of the OCSLAA to eliminate the data gathering and reporting requirements related to the maximum attainable rate of production [MAR] of oil and gas from significant fields on the OCS. GAO's report found that most of Interior's rate setting effort is not useful or necessary and could be curtailed; indicated that the production rate for significant fields, the MAR, is a hypothetical number of little practical value; and found that no apparent use was made of the MAR reports and that there was no interest in having them continued.

Although exact figures are not available, the costs on the part of both the minerals management service [MMS], which manages the OCS Leasing Program, and industry to collect and report on the production rates are significant. MMS estimates it spends about $231,500 yearly on OCS production rate activities, and GAO inquiries placed with just seven of the many oil and gas companies that operate on the OCS indicated their expenditures to be $426,500 annually.

Previously, H.R. 7076 reported by the Merchant Marine and Fisheries

Committee on October 7, 1982, would have eliminated the above-mentioned reporting requirements; however, no other action was taken on the bill, which was jointly referred to the Committee on Interior and Insular Affairs. Today, I am introducing these provisions in a separate bill to segregate them from more potentially controversial proposals to amend the OCSLAA.

Eliminating these costly reports would not remove the requirement on the Interior Department to report annually on the OCS Leasing Program, or its responsibility to ensure prompt and efficient OCS exploration and development. It would, however, reduce Government costs, and allow the taxpayer money to be put to better use. In times of mounting budget deficits and program reductions, we should not overlook the opportunity to economize and eliminate the annual expense entailed in preparing these reports.●

STATEMENT ON HUMAN AND LABOR RIGHTS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. HERTEL of Michigan. Mr. Speaker, as a Nation dedicated to the preservation of human and labor rights, our own policies must be clear, definitive and meaningful, and unwavering in execution. We must never relax our passion and our action in support of human rights. We must never fear discussions with peoples of differing values, differing histories and differing circumstances. Nor should we tolerate the jailing and torture of trade unionists because they hold unpopular or divergent political or religious views.

Basic trade union rights and the freedom that we have secured through years of struggle are taken for granted too often, but to workers deep in the dungeons of the Philippines, and to those in South Africa who suffer under the cruel system of apartheid, such rights and freedoms are a far-off dream. Vicious and brutal dictatorships are constantly at work attacking these basic human labor rights.

In Chile thousands of citizens are victims of political arrests and mass detentions while additional thousands remain in exile. In Argentina and Uruguay and throughout Latin America many workers live in a daily circle of fear. In Poland members of Solidarity have been jailed and key leaders await trial. In the Soviet Union dissidents are used as slave labor. In Korea workers have been imprisoned for organizing unions and in Turkey trade union rights have been abolished and more than 50 union officials face possible death sentences. In numerous other nations with widely differing ideologies, human rights abuses of labor run rampant. We must be diligent in our efforts to influence and persuade the adoption of sane human and labor rights policies by suspending all forms of military, technical, and economic assistance to all governments with blatent violations of the conventions of the International Labor Organization and the Universal Declaration of Human Rights of the United Nations. Silence and inaction in the face of clear abuses make us partners in this oppression of human and labor rights and is inexcusable. Our credibility before the rest of the world hinges, in large measure, on the credentials we earn in the field of labor and human rights here at home.●

SMART GARDENS MAKE CONSERVATION SENSE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DYMALLY. Mr. Speaker, in the Western States, water is just about as precious as gold. We live in areas that would be deserts were it not for human hydroengineering genius. In recent years, many parts of the West have been tortured by drought. We have learned from our ordeals that engineering genius will solve only a part of our water problem. Conservation must solve the rest. That is why I wish to single out for special recognition the conservation efforts of the Dominguez Water Corp., a company serving several of the communities in the 31st Congressional District of California.

The company itself is an outgrowth of our proud Spanish tradition. Juan José Dominguez was the first recipient of a Spanish land grant in California. He and his family began to harness the water resources of southern California for the use of human enterprise over 200 years ago. As use of the land in the Los Angeles area turned away from cattle and agricultural use to domestic and industrial use, the descendants of Juan Dominguez founded the Dominguez Water Corp. It delivered water to its first customers through pipes made of redwood. Today it serves over 100,000 users including large corporations such as Shell Oil and Atlantic Richfield.

The Dominguez Water Corp. is one of the few businesses I know that has embarked on a concerted campaign to convince customers to use less of its product. The corporation is to be highly praised, because in encouraging its customers to use less, the corporation is preserving an increasingly scarce natural resource.

As in other parts of the country, westerners use a significant portion of their water resources to bring beauty to their surroundings. The corporation has wisely recognized that residential use of water for irrigation is an important area in which it can encourage conservation. The corporation hit on an ingenious way of cutting water consumption for landscape irrigation. They have identified a number of plants which need only small amounts of water to survive. There are a great variety of such plants, many producing lush foliage and attractive flowers. In its initial effort, the corporation planted its own "smart garden" which contains these water-conserving plants. Having proven the concept—irrigation needs for such gardens are only half what is needed to keep a conventional garden alive—the corporation has begun educating its customers about this method of conservation. Visitors to the Dominguez Water Corp.'s flourishing "smart garden" now are receiving not only instructions in how to set up their own "smart garden," but they also receive the first plant for the garden, compliments of the corporation. In the second phase of the "smart garden" project, the corporation has begun a water conservation contest among its customers. The home that reduces its water consumption most between the summer and fall of 1983 and the summer and fall of 1984 will be awarded a "smart garden" worth at least $1,000.

Dominguez Water Corp. administrators believe that the "smart garden" along with several other commonsense water-saving activities, some as simple as not running the dishwasher unless it is full, or putting water in the refrigerator to cool it rather than letting the faucet run, can reduce domestic water use in our area by as much as 50 percent. I wish to acknowledge here on the floor of the House of Representatives the corporate responsibility that has been shown by the Dominguez Water Corp. They set an example that all corporations would do well to emulate.●

TRIBUTE TO RALPH FERRANTE

HON. JOE KOLTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. KOLTER. Mr. Speaker, I would like to pay tribute to Mr. Ralph Ferrante, of Ellwood City, PA. As he nears his 75th birthday, I personally commend him for his unique accomplishment and work with the Ellwood City Moose Lodge.

Mr. Ferrante, an active member of the lodge since he joined in 1939, has held many posts throughout his service. He has served as deputy supreme governor, supreme outer governor, supreme inner guard, supreme sergeant-

at-arms, president of district No. 2, and president of the Western Pennsylvania Moose Association. Currently, Mr. Ferrante serves as the deputy director of membership and conservation. Through the years, his activities, particularly with the ritual staff of the lodge, have given him the opportunity to travel extensively. Also noteworthy is his participation in the lodge's many philanthropic endeavors.

Numerous awards and gifts have been presented to this distinguished gentleman for his achievements in the Moose organization. Upon enrolling 250 members into his lodge, he was given a gold plate and was granted a lifetime membership. He also holds the honor of being recognized as a member of the 25 Club in the 1,000 Division, and a member of the Pilgrim degree which is the highest order of the Moose Lodge. On November 13, 1983, Mr. Ferrante sponsored the Pittsburgh Pirate third base coach Joe Lonnett as the 1,000th member he enrolled.

A former employee of the United States Steel in Ellwood City, Mr. Ferrante retired after 43 years of service. He has been married to the former Anna Mitchell for the past 46 years, and they are the proud parents of 4 children, grandparents of 11 grandchildren, and great-grandparents of 12 great-grandchildren.

I know my colleagues will join me in honoring Mr. Ferrante for his service and dedication. I wish him 75 more years of health and success.●

U.S.S. "CONCORD" 39th ANNUAL REUNION

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. ROBINSON. Mr. Speaker, I wish to call to the attention of my colleagues the occasion of the 39th annual reunion of the crewmembers and officers of the U.S.S. *Concord* (CL-10), a World War II battle cruiser. The reunion is being hosted by my friends and neighbors, Dottie and Joe Himes, in my congressional district, in a little village called New Baltimore, VA, from the 18th to the 22d of this month. These men, who have been meeting together annually since the close of World War II, were aboard the U.S.S. *Concord* during the heat of battle with the Japanese, and were credited with firing the last naval salvo of World War II. The Navy Historical Center has confirmed this occurred a few seconds after 8:06 p.m., August 12, 1945—Japan time.

The *Concord* was commissioned on November 3, 1923, in Philadelphia. As the flagship of destroyer squadrons she cruised the Caribbean and Hawaiian Islands until 1934. She took part in Presidential fleet reviews made by President Franklin D. Roosevelt in 1935 and 1938.

Subsequent to the United States entry into World War II, the *Concord* was assigned to Southeast Pacific Forces, escorting convoys to Bora Bora in the Society Islands. In mid-1943, she was assigned by President Roosevelt to carry Rear Adm. Richard E. Byrd on a special tour to survey the use of South Pacific Islands for potential American airbases. During this cruise, a tank exploded at the stern of the ship, causing extensive damage and killing 23 members of the ship's crew, including the executive officer. In accordance with international law, the dead were buried at sea.

At the time of the explosion, the ship was steaming alone. With the rudder completely destroyed, she laid immobile in enemy waters, without air cover, for about a week. The engineering crew worked diligently to make temporary repairs. By using the outboard screws for steering, the ship headed out of enemy waters, and finally managed to reach Balboa, in the Canal Zone, where repairs were made.

In March 1944, with the repairs completed, the *Concord* set sail northward to join the Northern Pacific Force at Adak, AK. She participated in a dozen bombardment runs on the Kurile Islands and encounters with Japanese ships. During this period, "Tokyo Rose" was heard to broadcast, "Sorry to report the U.S.S. *Concord* and task force have been sunk, with loss of all personnel. The Emperor and Japanese people express their deepest sympathy for their families in the United States."

Despite Tokyo Rose's broadcasts, the *Concord*, as flagship of the task force, proceeded to carry out her operation order to destroy designated targets at Suribachi Wan Paramushiru. It was on this mission, subsequent to the dropping of the atomic bombs on Hiroshima and Nagasaki, that the *Concord* completed firing and all ships were ordered to return to their home base. The date was August 12, 1945.

During the return voyage to Adak, the *Concord* received word that Japan had surrendered, and that all naval action directed toward Japan should cease.

Shortly thereafter, the Department of the Navy verified that the U.S.S. *Concord* had, indeed, fired the last naval salvo of World War II.

After a brief assignment with the occupation forces in Ominato, Japan, the *Concord* was designated as a unit of the Victory Fleet, and proceeded to Boston, MA, via Pearl Harbor and the Canal Zone.

Mr. Speaker, I am pleased to be able to offer this recognition to this very special group of sailors for their strength of mind and spirit that enabled them to encounter danger with firmness and personal bravery. I salute them, and wish them, and their wives, a most successful 39th annual reunion.●

TRIBUTE TO LARRY DOUGLAS BURTON

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DIXON. Mr. Speaker, it is with great pleasure that I rise to pay tribute to an outstanding and energetic individual whose diligence and expertise have played an integral part in the expansion and prosperity of the Los Angeles Minority Development Center. Mr. Larry Douglas Burton, executive director of the center, has been responsible for securing over $16,500,000 in capital and marketing opportunities for minority entrepreneurs. His dedication and perseverance have enabled the center to improve the growth and economic opportunities for minority owned businesses throughout the Los Angeles community. The center, which began operation in October 1983, was designed to assist minority entrepreneurs in the expansion, acquisition, and development of their business ventures.

Today, under the direction of Larry Douglas Burton, the center continues to be an invaluable source of information and ideas for minority entrepreneurs. Additionally, the Los Angeles Minority Business Development Center has developed a comprehensive economic outreach program for minority owned businesses that provides assistance with expansion efforts. It is with a tremendous sense of pride that I would like to note that the Los Angeles Minority Development Center, is located in the 28th Congressional District, which I am proud to represent. I am honored to acknowledge and commend the Los Angeles Minority Business Development Center and its executive director Mr. Larry Douglas Burton for their outstanding accomplishments with minority entrepreneurs and wish Mr. Burton continued success.●

HONORING SOUTH COAST REPERTORY THEATRE

HON. JERRY M. PATTERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. PATTERSON. Mr. Speaker, I would like to make my colleagues aware of an exciting theater anniversary in California. Orange County's resident professional theater, the

South Coast Repertory, has for 20 years served all of southern California with the theater produced to the highest professional standards.

The South Coast Repertory was founded in 1964 by David Emmes and Martin Benson in Long Beach. In the summer of 1964 Mr. Emmes and Mr. Benson decided that a new location was needed outside the commercialism of Hollywood and Los Angeles. Orange County was selected.

Today, the South Coast Repertory is enjoying its sixth season in the Fourth Step Theatre, a $3.5 million complex which was built through community support in 1978. This complex houses two stages, a 507-seat mainstage and an intimate 161-seat second stage. The South Coast Repertory conducted the first large-scale capital fundraising campaign for the performing arts in Orange County. This effort has served as an inspiration to all cultural institutions in the county, and I am hopeful that it will encourage other similar endeavors in the future.

The South Coast Repertory reaches over 250,000 Orange County citizens per year through its mainstage and second-stage productions, acting conservatories, and special Outreach Programs, such as "Second Lives," which explores the richness of our ethnic communities.

The South Coast Repertory also serves children and students through the Educational Touring Production which visits over 200 schools per year. This is done through the Living Theatre project which brings high school and college students to the theater to experience the masterpieces of world dramatic literature, and through the Young Conservatory, which provides classes in acting, speech, and movement to over 800 children per year.

Because of these outstanding programs and excellent performances, the South Coast Repertory attracts national attention to the Orange County area. They are able to bring talented artists from around the country to its stages. In addition, the South Coast Repertory has become nationally known for presenting world premiers by emerging American writers and American premiers of new works by playwrights.

These factors all contribute to the metropolitan character of Orange County and to the general quality of life in our community. The positive economic impact on the county is some $12 million in business per year, which helps make Orange County more attractive to business and enhances the quality of life for all of us.

Finally, the South Coast Repertory has demonstrated fiscal responsibility, balancing its rapidly growing program by enlarging its audience and attracting support from a broad partnership of civic, governmental, corporate, philanthropic, and individual donors. I would also like to commend all of the civic leaders and elected officials who have been involved for their steadfast support.

I urge my House colleagues to salute the South Coast Repertory for its community enhancement and involvement. I hope that one day each and every community will be blessed with such a fine organization.●

TRIBUTE TO THE MARYLAND FOOD COMMITTEE

HON. BARBARA A. MIKULSKI

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Ms. MIKULSKI. Mr. Speaker, on September 6, 1984, the Maryland Food Committee celebrates its 15th year assisting the hungry and addressing concerns of the needy. On this occassion, I want to pay tribute to their efforts and successes.

Founded in 1969 by members of the ecumenical community, the Maryland Food Committee has funded and assisted more than 130 emergency food centers, as well as distributing over 400,000 pounds of food each month. In addition, the Maryland Food Committee participates in task forces and studies addressing the needs of the poor and hungry, and works with local businesses on food drives for the unemployed.

Because September has been designated hunger month in Maryland, the food committee's anniversary is particularly commendable. Hunger is one of the fundamental moral issues facing the world today. In Maryland, the food committee has helped highlight and meet the needs of the hungry. I applaud their work and lend them my support for their continued efforts.●

THE TRIGGER-HAPPY RUSSIANS AND FLIGHT 007

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BROOMFIELD. Mr. Speaker, as the free world marks the first anniversary of the tragic downing of flight 007, the Russians still refuse to promise that they wouldn't do it again. In essence, they would violate international law and signed solemn agreements in order to protect their air space. The following Washington Times article on the loss of the airliner highlights the continuing callousness on the part of the Soviets regarding this incident.

The brutal downing of Korean Air Lines flight 007 on September 1, 1983, took the lives of 269 innocent men, women, and children. Among the 61 Americans on board was Representative Larry McDonald of Georgia. How ironic that he should have died at the hands of a country he so often warned his colleagues about.

After denying any knowledge of the shocking shootdown of the unarmed civilian airliner, the Soviets finally admitted that they had shot it down. They claimed that it had violated Soviet airspace in order to spy on Soviet military facilities.

The Kremlin concocted a disinformation plan and had a story printed in a British magazine that restated their claim that 007 was a spy plane on a spy mission.

On numerous occasions the Soviets interfered with Japanese ships trying to recover pieces of wreckage from the destroyed airliner.

Later, Soviet spokesmen defied worldwide moral outrage by saying that the defense of Soviet territory was a "sacred duty." The Kremlin was bold enough to threaten to handle future overflights in the same manner.

No nation in the world should shoot down an airliner with such reckless abandon. International air agreements, which the Soviets have signed, clearly spell out appropriate aircraft identifying procedures and warning signs. By firing first and asking questions later, the Soviets continue to show the world that they are ready, willing, and able to breach the most fundamental principles of international law and civilized behavior to advance Soviet military ambitions.

Shooting down unarmed airliners is nothing new to the Soviets. They have shot down lost or straying U.S. military aircraft and have even lured U.S. military aircraft across Eastern European borders and then shot down the unarmed aircraft. They are proven masters in the business of blowing innocent aircraft out of the sky. According to newspaper accounts, a Soviet SU-15 fighter aircraft entered Swedish airspace on August 9 and followed a Swedish airliner for 28 kilometers prior to breaking off contact. Their actions, however, essentially go unpunished.

As we pause to mark the first anniversary of the tragic loss of so many innocent people, let us never forget that trust is an essential element in building international understanding and promoting peace. The Soviets must do more than sign international accords. They must comply with these important agreements. Credibility is the bottom line in relations among nations. Based on Soviet performance, they clearly don't have it.

With these serious concerns in mind, I strongly recommend the following article to my colleagues in the Congress.

The article follows:

[From the Washington Times, Aug. 29, 1984]

SOVIETS STILL WON'T PROMISE NOT TO SHOOT DOWN AIRLINERS

(By Bill Outlaw)

A year after it shot down Korean Air Lines Flight 007, the Soviet Union won't give assurances that it wouldn't do it again, a senior State Department official said yesterday.

"KAL [remains] another unfortunate example of the Soviet propensity to use force and offer explanations later," he said. The grim effects on U.S.-Soviet relations "will linger," he said.

This official, who spoke on the condition he not be identified, said he believes the Soviets shot down the airliner on Sept. 1, 1983, killing all 269 persons aboard, because they honestly thought it was spying on Soviet defense installations. The Reagan administration has rejected that allegation many times.

"My personal suspicion is that they believed they were shooting down a spy plane," the official said. This in no way mitigates the barbarity, he said.

"The circumstances of the KAL incident will probably never be entirely clear," he said, "but we can identify the principal issue: The Soviets shot down an airliner without sufficient identification."

"I think if you had a plane headed toward Omaha of this sort, I cannot imagine that we would simply shoot it down without identifying it," he said.

One of the difficulties in dealing with the Soviets, he said, is "they never admit they are wrong."

"From their standpoint, what was wrong was not the shooting down of the airliner and the loss of 269 lives, but the way it was 'exploited' by the United States," he said. "They took it [criticism] in bizarre but characteristic fashion as part of an American campaign to isolate and blacken them in world opinion."

The Soviets were in a "heightened state of alertness" at the time of the shooting, he said, and this "produced a decision to shoot first and ask questions afterward." The official, who deals with Soviet affairs, repeated the consistent U.S. charge that the Soviet fighter attack on the KAL plane was "a violation of international law."

The state of mind of the Soviet commanders who ordered the shooting reflected the traditional Russian suspicion that the rest of the world is hostile toward them, he said.

He noted that at the time of the incident, Soviet leaders had opened a series of measures "designed to isolate the country from influences over which they had no control."

Those measures included tightening telephone communications with the outside world and raising customs barriers to packages from outside the Soviet Union.

"I can imagine a heightened vigilance over the borders would be consistent with this state of mind," he said.

But the Soviet allegation that the plane was on an intelligence mission was "totally false," he said. "The United States doesn't use airliners for intelligence."

He said U.S. officials still do not know why the jet was about 200 miles off course, and at the time no one in the U.S. government was aware the jet was so far off course.

The plane had strayed about 10 degrees off course and was leaving Soviet airspace over the Sea of Japan when it was downed by heatseeking missiles fired by a Soviet MiG fighter. There were no survivors.

Among those killed was Rep. Larry McDonald, D-Ga., one of 61 Americans aboard the plane.

Part of the reason there still is no clear indication of why the jetliner strayed into Soviet airspace, this official said, was that the Soviets have not shared the information they have on the shooting with the United States.

He said the 1983 incident dealt U.S. hopes of improving relations with the Soviets a "body blow," and that those relations became further strained with the U.S. deployment of intermediate-range nuclear weapons in Europe and the Soviet decision to suspent two sets of arms-control talks with the United States.

The United States did not take the matter before the International Court of Justice. It judged this to be a fruitless approach given the fact that the Soviets do not recognize the international court as a way of settling disputes.●

TRIBUTE TO CALIFORNIA VETERANS' HOME IN YOUNTVILLE, CA

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mrs. BOXER. Mr. Speaker, whereas the Veterans of Foreign Wars of the State of California, in support of the California Veterans' Home at Yountville, is celebrating its 100th anniversary; and

Whereas over 1,300 California veterans reside in the Yountville home—all of whom are held in high regard for their service to our Nation; and

Whereas California takes pride in the years of service to our State and our Nation by devoted veterans; and

Whereas California is truly honored to convey its best wishes to the residents of the Veterans' Home in Yountville, therefore.

I, Congresswoman BOXER, join with my colleagues in California, in wishing a very personal congratulations on the celebration of Hospital Day North, on September 16, 1984.●

TRIBUTE TO MART NIKLUS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. BIAGGI. Mr. Speaker, at this time I would like to pay tribute to Mart Niklus, the brave Estonian human rights activist, who is currently being held in a Soviet prison in Chistopol.

On September 22, 1984, Mart Niklus will be celebrating his 50th birthday. It saddens me that this great man will have to celebrate this occasion in Chistopol prison—a living symbol of the inhumanity and brutality of Soviet communism. I was honored to have taken part in an effort to save Mart Niklus. I was among many of my colleagues who signed birthday cards and sent them to Mart Niklus. This effort was organized by the Estonian American National Council. Their intention in this noble effort was to get congressional support in showing the Soviet authorities that we here in the free world are aware of the inhumane treatment of Mart Niklus, and will not remain silent in the face of continuing Soviet violations of basic human rights.

Throughout his life Mart Niklus has spoken out for what he believed and has not been afraid to sacrifice his own personal freedom for the cause of gaining the freedom of his fellow Estonians. He was first imprisoned in 1958, and sentenced in 1959 to 10 years of hard labor, followed by 3 years of internal exile for sending 15 photographs depicting conditions in Soviet-occupied Estonia to a Western journalist. In 1966, he was finally released after spending 8 years in Soviet labor camps and prisons. From 1966 to 1979, Mart Niklus was constantly harassed by the KGB and forced from his position at the Taru Foreign Languages Institute in 1979. He was denounced several times in government controlled Soviet newspapers. On January 8, 1981, after being arrested in 1979, Mart Niklus was sentenced to 10 years special regime hard labor camp and 5 years internal exile for anti-Soviet agitation and propaganda. This was yet another grim example of Soviet injustice and oppression. Despite his weakened physical condition due to a hunger strike and a worsening condition of radiculitus, the Soviet authorities in the Estonia Socialist Republic's supreme court sent him to a labor camp at the foot of the Ural Mountains. In 1983 he was transferred to the Chistopol prison where he currently is in the midst of another hunger strike and his health is rapidly deteriorating.

This tragic case is a vivid example of the type of treatment human rights activists get in the Soviet Union. The Soviet authorities' brutal treatment of Mr. Niklus and their continual refusal to recognize even the most basic of human rights must never be overlooked. Despite the efforts by the Soviet Government to discredit him, Mart Niklus stands as symbol of Estonian resistance to the Soviet occupation of Estonia. He also stands as a strong symbol to all those living under the yoke of Soviet tyranny who desire to live in freedom. Mart Niklus is not alone in his struggle. There are countless others throughout the Soviet Union who have spoken out for human rights—most of these brave men and women have been subject to great personal suffering at the hands of the Soviet authorities. We here in

the free world must continue to express our solidarity with and unbending support for these courageous freedom fighters who continue to be oppressed by Soviet communism.●

AGRICULTURAL MARKETING ORDERS

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. FAZIO. Mr. Speaker, from time to time concern is expressed in the House about agricultural marketing orders. They are poorly understood. They are frequently characterized as "archaic." The arguments about them generally get reduced to "farmers want high prices" on the one hand and "consumers want low prices" on the other. Often they are scorned as "New Deal-like intrusions into the free marketplace." These misunderstandings, however ideologically seductive or intellectually relaxing, do neither farmers nor consumers any good.

Agriculture, particularly certain crops, is acutely vulnerable to only minor weather variations, to marketplace fluctuations and to product perishability. Marketing orders for these crops are smaller farmers' attempts to respond collectively to these uncertainties. Small farms cannot survive the wild swings in weather, markets, and other conditions unless they do band together. To the degree they establish a security for themselves through collective action, a marketing order is similar to a labor union.

Large, financially diverse institutions which have farming as a component can survive economic roller coasters because they can use independent resources to carry their agricultural divisions through them. Then, when the smaller farmers go out of business, the larger ones could fill in. Ultimately, they could dominate the market, and that would not be good for consumers.

Among other lazy characterizations of marketing orders is that their purpose is to "keep crops off the market so the prices are high." What goes unsaid, typically, is that marketing orders also provide crops to markets at moderate prices when they would either be extremely expensive or not available at all.

They enable agriculture to operate on the average; the price to consumers in the short run is the average between the high and low that would otherwise occur. In the longer term the price to the consumer is lower, because more suppliers are kept in business and more of the crop is available for purchase.

I would commend to my colleagues the following article written by Roger Baccigaluppi, president of the California Almond Growers Exchange and of the National Council of Farmer Cooperatives. It illuminates how marketing orders really work, what purpose they really serve, and the benefits they really confer. Note particularly that all of a crop is ultimately sold; moderating the flow to the market is not at all the same as withholding from the market.

[From the Farmer Cooperatives, April 1984]

ALMOND MARKETING ORDER PRIME EXAMPLE OF SERVING PRODUCER, CONSUMER INTERESTS

(By Roger Baccigaluppi)

Federal marketing order for almonds is a prime example of what these programs are designed to do. The almond order was institued to stabilize the industry and allow for growth so consumers would have a stable supply of nutritious food.

Through judicious application of the volume control provision, the almond industry simultaneously stabilized domestic supplies and developed extensive export markets. The industry made effective use of the marketing order provisions for statistical review and reporting of the crop, production research, quality control, and promotion. It continues to be effective in improving market opportunities for growers.

The almond marketing order was initiated in 1950 amid chaotic conditions in the industry. U.S. production was excessive. Inexpensive imports were being delivered to our markets from Italy and Spain. Growers were suffering, many on the verge of going out of business. Thus, the primary purpose for instituting the order was to provide volume controls that could allow product diversion from the domestic market in oversupply years.

Through the volume control provision, the industry developed and expanded its export marketing program. Initially, the program was lower priced than the domestically marketed product, but within a few short years a world market was established and prices were equalizied. In the last two decades, there has been no real difference between domestic market prices and those in the export market. Almond exports have provided an outstanding source of foreign exchange earnings, currently accounting for about 1 percent of total U.S. agricultural exports. Almonds are California's leading food export product and the Nation's top horticultural export.

ORDER AS MANAGEMENT TOOL

In 31 years of the order's existence, no quality almonds have been diverted from edible channels. The order has been used as a management tool, not as one to destroy edible produce that might otherwise go to the consumer. By managing almond supply properly, it has moderated wide swings in production often characteristic of agricultural products and lessened consumers' exposure to problems associated with short-supply years.

Other added provisions have become extremely useful tools within the industry such as an advertising assessment, production research, and quality control. They provided meaningful benefits to thousands of California almond growers and a plentiful supply of quality product to consumers.

The almond marketing order contains a provision for unique volume regulation. It establishes a reserve percentage. It operates so this reserve is not turned over to the board to market or destroy. Rather, a handler can become an agent in marketing this reserve. The procedure encourages the handler to market production in a manner to improve growers' return and make the product available to consumers.

In addition, the order says any reserve must be allocated by May 15, of the coming marketing year. This precludes the perpetual buildup of surplus or reserve that can be detrimental to marketing efforts.

Another major feature permits collecting and publishing important statistics pertaining to production and disposition of the California almond crop. In contrast, when concerns over an energy shortage first occurred, some felt we did not know the parameters of our petroleum industry and therefore could not determine the severity of the problem.

Such is not the case in agriculture with its effective marketing orders. These orders permit extensive collection of data on crop quantity and movement and make this information available to the public.

The quality control provision enables the industry to police quality of its products. It removes incentives for handlers to "get by" with poor-quality merchandise. Damaged merchandise must be placed into inedible channels such as the production of almond oil.

Recent statistics show the U.S. almond industry has made significant progress in quality control aided by its research efforts, also carried out under the order. In recent years, only 3 to 4 percent of the crop consisted of inedible kernels, well below the 5-year average (1976-80) of 5.6 percent. Quality control provisions do not withhold material from the market that is edible but undersized.

RESEARCH, DEVELOPMENT, PROMOTION

Research allows producers to study better methods of growing the product including reduction of crop damage from insects.

Industry advertising and promotion inform the public of the availability and benefits of almonds and helps growers market increasingly larger crops. Both the 1981 and 1982 marketing years set records for domestic consumption, due largely to brand and generic advertising and sales promotional programs. These efforts brought the almond into an era of greater public recognition, acceptance, and popularity. Almonds now lead all other U.S. nuts in per-capta consumption and also lead in the growth rate in U.S. consumption.

The almond industry is a concrete example of how well marketing orders work. We had a large carryover from the 1980 crop, plus record-high production in both California and Spain. World supply was expected to be nearly twice as much as had ever been consumed. In July 1981, the Almond Board of California requested establishing a 25-percent reserve on that crop. After considerable discussion and delay, it was finally established, halting the precipitous decline in prices since the reserve was first requested.

By February 1982, thanks to dramatic improvements in consumption and slightly smaller crop than had been estimated, part of the reserve was eliminated. By May, the entire reserve was eliminated, making the crop 100 percent salable. No almonds were diverted to other uses or destroyed. All were consumed by people somewhere in the world at low prices, but from the growers' standpoint, a better alternative than if the reserve had not been established.

A year later, the almond board met again. Outlook was for a smaller, but still large

crop in California and Spain. Both countries had large carryovers. Nevertheless, the board unanimously felt the crop could be handled without any major reserve. A 2-percent reserve was established to develop new markets, primarily almond butter and the school lunch program.

These reserve programs are established with the consent of the Secretary of Agriculture, but costs are borne by individual growers. In the case of the 1981 crop, lower prices, costs of storage, and costs of delay in payment were borne by the growers. Some of the almonds in reserve were not shipped until December 1982. Funds were not collected until January or February of 1983.

Based on early plantings, projections for the 1983 would supply were optimistic both for California and Spain. We were prepared to manage that and invoke a somewhat larger reserve than the 2 percent in 1982. Widespread frost in Spain, and huge weather losses in California, cut the crops in both countries to less than half.

In 1983, the major producing countries grew more than 100 million shelled pounds less than the world consumed in 1982. Just imagine what that situation would do for prices and consumption without carryovers from the reserve program, particularly the one in 1981.

ALMOND CONSUMPTION UP

Almond consumption is increasing almost everywhere in the world. In 1981, U.S. almond consumption was up almost 21 percent and export consumption grew about 10 percent. During the 1982 crop year, domestic consumption grew another 11 percent. And so far this year, domestic consumption is up another 10 percent.

Our big challenge this year has been to keep consumption growing, an impossible task without the reserve program. All 1981 crop almonds would have been "dumped" to turn them into cash as soon as possible. There would have been no discipline to manage the crop in anticipation of some future failure.

The 1983 crop prices are higher than 1982 or 1981, but substantially lower than they would have been without the 1981 reserve. Similarly, grower prices on the 1981 crop were higher than they would have been without the marketing order. But isn't it more desirable to manage the supplies of a permanent crop so prices remain "reasonable" and increase consumption?

Marketing orders help everyone—growers by keeping prices a bit higher in years of plentiful supply; consumers by keeping prices lower than in years of short supply; and Government because they are paid for by the growers involved, not by the Federal Treasury.

Most segments of American industry decide how much they want to produce in accordance with how much they expect to sell. In fruit and nut crops, the weather decides how much the growers will have to sell and sales forecasts must be based on what they produce.

Less than 1 percent of all marketing order administrative costs, (less than $6 million per year) are borne by USDA. This also means more than 99 percent are absorbed by producers.

Marketing orders are the backborne of the small grower—the family farmer. Of recent votes taken among small growers, support was more than 85 percent in favor of marketing orders.

At the inception of the marketing order, the California almond industry handled about 40 million pounds of almonds per year. In recent years, the industry has successfully marketed crops as large as 407 million pounds. Almonds are the largest tree crop in California. The marketing order encourages production in a manner fair to the consumer. Consumer value has been maintained and the public has a wholesome and healthful food product at a reasonable price. Simultaneously, almond growers have been able to produce a crop and realize a return in most years, thus allowing them to stay in business.●

TRIBUTE TO HYUN SEONG SOO

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. DYMALLY. Mr. Speaker, since coming to the House of Representatives, I have served on the Foreign Affairs Committee. Each year that I serve, my conviction grows that we do not have enough opportunity to get to know our government counterparts in other countries. We make policy decisions that have impact abroad. Yet, we often have an inadequate understanding of the officials in those other countries who must respond to the actions we take. Often we are unaware of the internal political forces that govern their perception of our decisions.

For nearly 4 years my office has had the good fortune to host a fellowship program for staff members of the National Assembly of the Republic of Korea. Next week, Mr. Hyun Seong Soo, the fifth fellowship recipient of this program will complete his tour in the United States by spending time working alongside staff members in my California district office. For the past 4 months, Mr. Hyun has worked in my Washington office. He has attended hearings, observed floor debate, and consulted with staff members of various committees. He was able to enroll and attend classes at both the Department of Agriculture Graduate School and George Washington University. Moreover, he has interacted daily with members of my staff. We have gotten to know Mr. Hyun, and through him, Korea in a way that cannot be approached by a committee brief or even by a hearing. Korea is not just a place; it is people, some of whom I know because I have worked with them. It is this link of people to people that I think holds the greatest hope for world peace, world stability and shared prosperity.

Peace Corps members returning to the United States often say that they received at least as much from their host country as they gave in service to that country. I think we can say we have received at least as much from Hyun Seong Soo as we have given. One of the most fascinating things I have gained from him is a feeling for differences between the legislative processes of our two countries. Mr. Hyun is a staff member of the bill drafting department of the Korean National Assembly. The responsibility of that office seems to be much greater in scope than is that of our office of Legislative Counsel. The Korean bill drafting department has an important advisory function to Members and their committees. Not only does the staff draft legislation, it also is able to help determine whether or not legislation should be drafted. And the department responds to the legislative requirements of both the legislative and executive branches. One thing that makes these functions possible is that National Assembly staff members normally make a career of their service to the Assembly. They, therefore, become long-term repositories of expertise. This practice is of course much different from our practice, not only in Government but in business as well. Our citizens may expect as many as five career changes in their working life.

The many occasions Mr. Hyun has presented us to compare our two Governments have been enlightening. Of course, what works in one setting is not necessarily directly applicable to another, but a comparison of two approaches often provides the critical insights that can lead to improvements in both. Mr. Hyun has given us welcome insight and I hope that we have reciprocated in kind. It is difficult to say goodbye to a friend who has given us so much, but the understanding Mr. Hyun has left us with will be a daily reminder of his time with us. My staff and I wish our friend Hyun Seong Soo a long, fruitful and distinguished career in service to the people of Korea. We look forward to the day we will visit him and his family in Seoul.●

WELCOME TO UKRAINIAN AMERICAN BAR ASSOCIATION

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. MICHEL. Mr. Speaker, the city of Washington will welcome the week of October 15 to 20 the Annual Meeting of the Ukrainian American Bar Association, comprising distinguished members of the legal profession from 25 States of the Union. The history of Ukraine is known to many of us, but the individual experiences and the aspirations of Ukrainian-Americans is not generally understood or appreciated. The great nation of Ukraine, absorbed as it is today as a part of the Soviet Union, has a tradition of human freedom and of representative government which compares with our own heritage.

Mr. Speaker, I know that my other colleagues in this body will want to join with me in this expression of high regard for the members of the Ukrainian American Bar Association and their families who will convene their annual meeting here in our Nation's Capital, a city where many of these lawyers have gained positions of prominence.

Let me cite just a few of these leaders of the Ukrainian American bar:

Ihor O.E. Kotlarchuk serves with the Internal Security Section of the Criminal Division of the U.S. Justice Department, where he has the important responsibility of prosecuting espionage cases and cases involving the export of strategic technology in violation of the Export Administration Act.

Bhodan Futey is the chairman of the Foreign Claims Settlement Commission of the United States; prior to assuming this important Government role he was a leading member of the Ohio bar.

Michael Waris, Jr., a partner in the prestigious international law firm of Baker & McKenzie, is a former member of the advisory group to the Commissioner of Internal Revenue and Associate Tax Legislative Counsel of the Treasury Department.

Mr. Speaker, I know that underlying the proceedings of the Ukrainian American Bar Association there will be a tacit and fervent hope that independence for Ukraine and freedom for all Ukrainians may one day be realized and that the torch of human freedom which is aflame in the hearts of all freedom-loving Ukrainian-Americans will be characterized by those who will be here in Washington.

Mr. Speaker, we salute the Ukrainian American Bar Association and its members and families. We hope for them a highly successful annual meeting here in our Nation's Capital and we wish them well in all of their professional deliberations and their personal aspirations.●

CONGRESSIONAL CALL TO CONSCIENCE

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. WALGREN. Mr. Speaker, once again this year it is my privilege to take part in this effort to highlight the mistreatment by the Soviet Union of refuseniks, those Soviet Jews who continue to be denied permission to emigrate.

Almost all here in our House of Representatives are familiar with the stories of Soviet Jews who, after unfounded denials of the right to emigrate, are plagued by KGB agents, find themselves suddenly without employment, and suffer continual harassment. While each story is part of a coordinated pattern of Soviet repression, we in the Western world must never become so jaded that we forget the individuals being oppressed.

One such individual family is the Budniatsky family in Leningrad. Mark Budniatsky and his wife, Frieda, both professional engineers by training, sought an exit visa on December 4, 1978, for themselves and their young daughter Anna. As a result, they were forced to give up their jobs and have suffered the indignity of having their request denied time and again because of so-called regime considerations.

Since these grave disappointments, Mark and Frieda have been denied suitable work and are forced to maintain their family by working as a fireman and an insurance representative. Their lives have been completely disrupted. They must live in constant fear of further persecution, yet they have committed no crime. They merely desire to exercise their religion in an atmosphere of freedom.

The Budniatsky's plight is not singular in its occurrence, and that, of course, is the most tragic part of this story. The Soviet Union has promised by its signature to the Helsinki Final Acts to allow free emigration. But what has become of this right? The Budniatsky's surely have not been able to take advantage of it, and neither have countless other Soviet Jews. In my view, this is a violation of human rights on the deepest level.

Though it would seem at times that our voices may not be heard, we must continue to draw attention to this problem and those whom it affects. Silence on our part would destroy the spirit and hope of all those like the Budniatsky's who can only pursue the most meaningful aspect of human life by risking persecution. Only by continuing to expose this systematic oppression can we hope to secure the release of the countless families like the Budniatsky's who yearn for freedom.

I urge my colleagues to join me in reaffirming our identification and commitment to those Soviets persecuted because of their pursuit of their religion.●

SHRINKING SHELTER

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 5, 1984

● Mr. GARCIA. Mr. Speaker, increasing rent payments, doubling up, deteriorating structures, a decreasing number of rental units, crime and just plain frustration are the issues confronting inner city families when it comes to housing. My city's 2 percent vacancy rate represents an 8-year waiting list for those seeking Government assisted housing. Throughout the city of New York, over 25,000 people are homeless, actually living in the streets. Yet these problems and hard facts seem to have little influence on the policy decisions made by the U.S. Department of Housing and Urban Development.

Recently, from those responsible for Federal housing policy we were treated to the following statement, "On balance, we think there is enough existing housing out there." Such a statement suggest both a lack of understanding of the problems confronting many low-income Americans and a lack of sensitivity to the daily battle for survival occuring in the inner city. Conversely, from those working most closely with the poor we hear very different words with reference to the search for shelter: "they're just so angry, they don't know what to do."

The Wall Street Journal examined the issue of housing the poor in an article entitled, "Declining Housing Aid Worsens the Struggle for Many Poor People." Of particular importance to my colleagues should be the adverse consequences to both the poor and the Federal budget caused by the housing policy changes initiated under the 1981 Budget Act. The policy change with the greatest impact is the 30 percent of income rent level which will create an ironic shortfall in the operating budgets of assisted housing complexes by changing the income mix of the tenants living in the complexes. This in turn lowers the income produced by the tenants as their part of the operating budget. This leads to higher Federal subsidies.

I firmly believe that we need a comprehensive housing policy upholding our Nation's 47-year-old goal of a decent and safe living environment for all Americans. Accompanied by large budget cuts in the housing production and rehabilitation programs and a dramatic fall off in the housing pipeline authorized under President Carter, the poorly designed housing policy changes are beginning to take their toll. I would like to submit the Wall Street Journal article which examines this issue into the CONGRESSIONAL RECORD.

[From the Wall Street Journal, Aug. 31, 1984]

DECLINING HOUSING AID WORSENS THE STRUGGLE FOR MANY POOR PEOPLE

(By Joann S. Lublin)

NEW YORK.—In the sultry air of a public-housing project office in Manhattan, Tessie Russo, a 58-year-old resident in a sleeveless housedress, is seething. Sweat beads dot her upper lip and ring her short gray hair.

Despite the heat, Miss Russo tells the project manager she must give up her window air conditioner. She no longer can afford the $7 monthly extra utility charge, because her monthly apartment rent went up $10 Aug. 1, to $102.75. The former waitress, disabled by cancer, receives $374 in monthly Social Security payments, her only income.

"I'll just have to learn to live without the air conditioner," she says. "I'm laughing, but you know, inside I'm bursting," she adds, her dark eyes, magnified by thick glasses, flashing angrily. "When I drop dead, they can put on my grave, 'Blame it on Ronald Reagan.'"

Miss Russo's rent has risen twice in the last two years because of President Reagan's belief, accepted by Congress, that the poor should pay a bigger share of their income for subsidized housing. It's one of several ways that U.S. housing aid for the poor has shrunk sharply during the past three years.

TOUGHER RULES

Tightened eligibility rules exclude more of the working poor from public housing; a new emphasis on housing the neediest makes these projects more expensive and troublesome to manage and maintain, since public-housing officials find poorer families put more wear and tear on their apartments and tend to engage in vandalism and other petty crimes. The most radical shift in policy is a scheduled end to most subsidized construction and rehabilitation of low-rent apartments, largely in favor of government vouchers good toward rental of existing units.

In the past three years, annual budget authority for housing assistance, the nation's third biggest welfare program, has plummeted to $9.9 billion from $27 billion—one of the biggest but least-noticed cuts in domestic spending. The number of new households slated for this aid fell to 69,000 in fiscal 1983, ended last September, from 192,000 in fiscal 1980 and a peak of 393,000 three years before that.

The Reagan administration insists that its reduced, revamped housing program still serves the truly needy. Eventually, officials add, vouchers will serve more poor Americans at lower cost and with fewer inequities than now.

Critics contend, however, that the administration seeks to abandon a nearly 50-year-old federal commitment to help shelter the poor through public housing and subsidies for private developers and owners of rental units. Top Reagan aides "have made it quite clear to me that they don't think the Federal government has a role to play in housing," says Carl Williams, executive director of San Francisco's Housing Authority. "But for congressional support (for subsidized housing), this administration would have withdrawn entirely."

GROWING SHORTAGE

The slower growth of subsidized housing, recent increases in the U.S. poverty population and continued conversions of rental apartments to condominiums are worsening a national shortage of housing for the poor, critics also claim. They cite the growing legions of homeless and doubled-up families and the waiting lists for housing aid that last many years in some cities. Of 66 cities polled last spring by the U.S. Conference of Mayors, 51 reported that demand for housing assistance grew during 1983, but reduced supplies left few able to meet their low-income residents' needs.

Many people seeking housing help have "no place to stay," Mr. Williams says. "They're sleeping in doorways, flophouses, dilapidated houses." Michael Stone, an associate community-planning professor at the University of Massachusetts, says, "We're going back to Depression-like conditions in this country." Housing advocates estimate that between nine million and 13 million poor U.S. families need shelter assistance because they pay a burdensome chunk of their income for rent or live in substandard dwellings.

But the brunt of the Reagan shift in housing policy has yet to hit the poor. In fact, the number of households receiving subsidies through the Department of Housing and Urban Development is still rising—to 3.8 million this fall, from 3.2 million three years ago. The gain primarily reflects completion of projects committed by the Carter administration. The construction pipeline is scheduled to run dry in another two years or so.

ADMINSTRATION'S STANCE

Reagan officials take credit for the continued increase. "In this administration, we have been supplying more (low-income) housing than ever has been supplied in the past," HUD Secretary Samuel Pierce boasted recently. Adds HUD Undersecretary Philip Abrams, "We try to take care of people whose problems are the worst first" because the nation can't afford to subsidize housing for every low-income family. At the same time, Secretary Pierce has noted, the government's housing debt is dropping from its 1982 peak of $245 billion, thanks to the elimination of most new construction subsidies.

The deficit-wary Reagan administration believes rental vouchers could help house 10 times as many poor families as would the same amount spent on construction subsidies—and with fewer inequities. Under a pilot project approved by Congress last year, HUD officials began this July 30 to distribute 15,000 of the new allowances to those most in need; another 38,500 vouchers will be handed out in fiscal 1985. The vouchers make up the difference between 30% of a family's monthly income and "reasonable" rent levels in an area. Families can pay more rent out of their own pockets if they wish.

The rationale for vouchers is that the basic housing problem is affordability, not an actual shortage of rental units. "On balance, we think there is enough existing housing out there," explains Maurice Barksdale, an assistant HUD secretary. Reagan aides expect that a modest construction and rehabilitation program, passed over the White House's initial objections, will meet the worst shortages of rental housing.

Many cities' long waiting lists for housing aid lead critics to scoff at the administration's approach and to urge a much larger subsidized construction and rehabilitation effort. "Vouchers only work if you have the houses," observes William Ratzlaff, the public housing authority's executive director in Denver, where families must wait up to three years for assisted housing, and the citywide apartment vacancy rate is less than 2½%. New York, Boston and San Francisco have closed or soon may close some waiting lists.

Poor people seeking housing help often fume in frustration over the long waits. "It's crazy," complains 27-year-old Gerri Greene, as she stands in the reception area of New York's City Housing Authority headquarters in Manhattan, waving at passers-by copies of protest letters she has written. The tall willowy black woman has waited for three years to get into a housing project; she lives in a cramped one-bedroom apartment with her two children. "I took the train all the way from the Bronx. If they (staff members) don't give my interview today," she warns, "I might get violent."

A security guard sitting outside the locked screening offices nearby says applicants often make threats. "They start yelling at me, 'How come I been waiting for five years and I still don't have an apartment?'" says the guard, Christine Leacy. "They're just so angry, they don't know what to do." The city's public-housing waiting list of 175,000 families would quickly double in number "if people thought there was any chance of getting in," says the Housing Authority's general manager, John Simon.

Because of New York's extreme housing shortage, an estimated 17,000 to 20,000 families, or 10% to 12% of all public-housing households, double up in the projects, in violation of the law. Such arrangements were "an insignificant factor" before Mr. Reagan took office, Mr. Simon says, adding that the problem recently has also cropped up in other cities.

DOUBLING UP

One who is unhappily doubled up is Lillie Nettles, a 34-year-old welfare recipient in Washington, D.C., evicted from her $115-a-month apartment last April. Two older children stay with relatives while she and two daughters sleep on a double bed in the sparsely furnished apartment of an elderly friend. The rundown building, with plaster peeling and garbage reeking, is in a predominantly black neighborhood dotted with boarded-up homes and Pentecostal churches a mile from the White House.

"I've been looking every week, four to five times every day some days," Miss Nettles says with a sigh. She folds and refolds a neatly handwritten list of apartment vacancies. "Sometimes I feel like I should just give up, but I know I gotta move."

Landlords let her complete applications, "Then they say, 'I'm sorry, you can't get the apartment. You have too many kids or not enough money on your (welfare) check.'" She gets $329 monthly in public assistance, plus $242 in food stamps. The cheapest vacancy on her list, a one-bedroom unit, rents for $268 a month. Spending more than $200, she says, would force her children to go without new clothes needed for school.

Reagan officials maintain a rent voucher would help people like Miss Nettles find an apartment. Low-income housing proponents disagree. They point to studies showing that large, minority families on welfare frequently encounter housing bias. And such families "just don't have that extra money" to pay more than 30% of their income for rent, says Marjorie Shuman, a counselor with Housing Counseling Services Inc., a nonprofit agency in Washington.

Housing-aid recipients used to pay 25% of their income for rent. But as the result of one Reagan budget cut, the required share has climbed to 30%, and dollar rent ceilings that in many cities apply to each apartment have been scrapped. While many families are allowed to stay in public housing after their incomes have risen above the stand-

ards for admission, income ceilings still apply. A family of seven, for example, would have to leave public housing if its income rose above $34,500.

At the same time, public-housing administrators must admit more of the extremely needy, disturbing the mix of welfare recipient and working poor that has kept projects in some cities, such as New York, stable and comparatively free of crime and other social problems.

In certain New York projects, these changes have led to tenant turnover rates twice the citywide average of 3.4% a year, as moderate-income families move out rather than pay higher rents. At one Staten Island project, about 30 moderate-income families have left in the past year, up from the usual dozen. Others fear coming rent increases will force them out.

"How am I supposed to live?" asks Virginia Thow. She, her teletype-operator husband and two youngsters expect they will have to move in a few years. But she likes the 560-unit, low-rise complex, "a haven in the city, grass, trees and no graffiti . . . I don't want to move out of here."

THE CHANGING MIX

Yet some working-poor tenants who can't afford to leave public housing worry about staying. Typical is Renee Sherbington, a Staten Island teacher's aide and single parent who earns $10,000 a year. Her building's loss of moderate-income families, replaced by welfare recipients, makes her afraid to let her two youngsters outside for long, "Drugs are being dealt out in front of my children while they're playing" and garbage litters the formerly clean hallways, she says.

Tenant activists such as Ms. Sherbington and Ms. Thow are pushing a bill that would allow authorities to reinstate rent ceilings in public housing. "What's happening here is sinful; we're destroying valuable projects," contends Rep. Guy Molinari, the Staten Island Republican who introduced the measure. he thinks the altered family mix in housing projects will sharply drive up crime, vandalism and abandonment, requiring more subsidies.

"That's the crazy thing," he says. "The final result (of this budget cut) is that it's going to cost the federal government more more."●

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 6, 1984, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 7

9:30 a.m.
Joint Economic
To hold hearings on the employment-unemployment situation for August.
SD-106

10:00 a.m.
Appropriations
Transportation and Related Agencies Subcommittee
To hold oversight hearings to review aviation systems delays.
SD-138

SEPTEMBER 10

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on the safety aspects of the Vandenberg Space Shuttle launch complex.
SR-253

10:00 a.m.
Joint Economic
To resume hearings to evaluate the role of innovation in America and to review the application of new ideas to basic industries, focusing on the university role in high technology development.
2203 Rayburn Building

3:00 p.m.
Finance
Oversight of the Internal Revenue Service Subcommittee
To hold hearings on S. 2243, the Taxpayers Bill of Rights Act.
SD-215

SEPTEMBER 11

9:00 a.m.
Energy and Natural Resources
Public Lands and Reserved Water Subcommittee
To hold hearings on S. 2032, H.R. 5426, and S. 2916, bills to designate certain lands in Colorado as wilderness.
SD-366

Governmental Affairs
To hold hearings on the nominations of Susan R. Holmes, Rufus G. King, III, Colleen Kollar-Kotelly, A. Noel Anketell Kramer, Emmet G. Sullivan, Robert S. Tignor, and Robert I. Richter, each to be an Associate Judge of the Superior Court of the District of Columbia, and Andrew L. Frey, to be an Associate Judge of the District of Columbia Court of Appeals.
SD-342

Judiciary
Constitution Subcommittee
To hold hearings on S. 2802, to provide greater equity in the compensation of attorneys fees.
SD-430

10:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund).
SD-406

Finance
To resume hearings on flat-rate and other major tax reform proposals.
SD-215

Judiciary
To hold oversight hearings to review the implications of the Federal Communications Commission ruling on broadcast ownership (7-7-7 Rule).
SD-226

Judiciary
Immigration and Refugee Policy Subcommittee
To hold hearings to review the progress of this year's refugee resettlement program.
SD-124

Select Committee on Indian Affairs
Business meeting, to markup House Joint Resolution 158, to make technical corrections to the Indian Land Consolidation Act (P.L. 97-459), S. 1151, to compensate heirs of deceased Indians for improper payments from trust estates to States or political subdivisions thereof as reimbursements for old age assistance received by descendants during their lifetime, S. 2480, to restore mineral and grazing rights on certain lands in North Dakota to the Three Affiliated Tribes of the Fort Berthold Reservation, S. 2663, pertaining to the inheritance of trust or restricted land on the Lake Traverse Indian Reservation, North and South Dakota, S. 2823, to provide for the use and distribution of judgment funds awarded the Saginaw Chippewa Tribe of Michigan, and S. 2824, to provide for the use and distribution of judgment funds awarded the Wyandotte Tribe of Oklahoma.
SR-428A

11:00 a.m.
Foreign Relations
Business meeting, to consider pending calendar business.
SD-419

4:00 p.m.
Foreign Relations
Closed briefing to review activities in the Middle East and South Asia.
S-116, Capitol

SEPTEMBER 12

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on S. 2618, the Telecommunications Trade Act of 1984.
SD-215

Judiciary
Juvenile Justice Subcommittee
To resume hearings to review the effects of pornography on women and children.
SR-418

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To hold oversight hearings on the use of wiretapping and protection of an individual's privacy.
SD-226

10:00 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Robert R. Davis, of Illinois, to be a Commissioner of the Commodity Futures Trading Commission, and Crete B. Harvey, of Illinois, and Melvin A. Ensley, of Washington, both to be a member of the Federal Farm Credit Board, Farm Credit Administration.
SR-328A

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund).
SD-406

Labor and Human Resources
Business meeting, to consider the nomination of Rosemary M. Collyer, of Colorado, to be General Counsel of the National Labor Relations Board, S. 2568, Civil Rights Act of 1984, and S. 44, to provide for a uniform product liability law.
SD-430

10:30 a.m.
Judiciary
Separation of Powers Subcommittee
Business meeting, to mark up S. 1405, Federal Neutrality Act of 1983.
SD-628

2:00 p.m.
Energy and Natural Resources
Energy Research and Development Subcommittee
To hold oversight hearings on the May 1984 Department of Energy/Energy Information Administration comprehensive review of the status of the U.S. domestic uranium mining and milling industry.
SD-366

Judiciary
To hold hearings on pending nominations.
SD-266

SEPTEMBER 13

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold oversight hearings on the activities of the National Highway Transportation Safety Administration.
SR-253

Energy and Natural Resources
To hold oversight hearings on the Bonneville Power Administraition repayment of obligation to the U.S. Treasury.
SD-366

Labor and Human Resources
Labor Subcommittee
To hold oversight hearings on the implementation of the Taft-Hartley Act and the Railway Labor Act.
SD-430

10:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Libability Act (Superfund).
SD-406

Foreign Relations
To hold hearings to review East-West Cooperation in outer space.
SD-419

SEPTEMBER 14

9:30 a.m.
Finance
Taxation and Debt Management Subcommittee
To hold joint hearings with the Subcommittee on International Trade on S. 2429, to increase the duty on certain shelled filberts, to be followed by hearings on S. 2933, to provide that the restrictions imposed by the Deficit Reduction Act of 1984 with respect to property leased by a tax-exempt entity would generally not apply to certain correctional facilities leased by State and local governments.
SD-215

10:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 2892, to amend and authorize funds for the Comprehensive Environmental Response, Compensation, and Liability Act (Superfund).
SD-406

Foreign Relations
African Affairs Subcommittee
To hold oversight hearings on the implementation of Public Law 480, Food for Peace Program.
SD-419

SEPTEMBER 17

9:30 a.m.
Finance
Oversight of the Internal Revenue Service Subcommittee
To resume oversight hearings to examine the impact of the Federal income tax system on productivity and economic growth.
SD-215

2:00 p.m.
Finance
Health Subcommittee
To hold oversight hearings on the implementation of the medicare hospice benefit of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA).
SD-215

SEPTEMBER 18

9:00 a.m.
Commerce, Science, and Transportation
To hold oversight hearings on the implementation of the Motor Carrier Act of 1980 (P.L. 96-296).
SR-253

9:30 a.m.
Finance
International Trade Subcommittee
To hold hearings on the state of the U.S. textile industry under the trade agreements program.
SD-215

Labor and Human Resources
To hold oversight hearings on the implementation of the Orphan Drug Act (P.L. 97-414), focusing on section 7 relating to radiation-cancer liability.
SD-430

Labor and Human Resources
Labor Subcommittee
To resume oversight hearings on the implementation of the Taft-Hartley Act and the Railway Labor Act.
SR-485

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To hold hearings on the release into the environment of genetically engineered organisms.
SD-406

11:00 a.m.
Veterans' Affairs
To hold hearings to review the legislative priorities of the American Legion.
SR-325

SEPTEMBER 19

10:00 a.m.
Environment and Public Works
Toxic Substances and Environmental Oversight Subcommittee
To continue hearings on the release into the environment of genetically engineered organisms.
SD-406

SEPTEMBER 20

9:00 a.m.
Office of Technology Assessment
To hold a general board meeting.
S-205, Capitol

10:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 1981, authorizing additional funds for the development of small reclamation projects.
SD-366

Finance
To resume hearings on flat-rate and other major tax reform proposals.
SD-215

SEPTEMBER 21

10:00 a.m.
Finance
Health Subcommittee
To hold hearings to review the current method of financing medical education costs under the medicare program.
SD-215

SEPTEMBER 24

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold oversight hearings on issues relating to Antarctica, focusing on the proposed Convention on the Conservation of Antarctica Living Marine Resources, U.S. and international research activities therein, and on the proposed Antarctica Minerals Treaty.
SR-253

SEPTEMBER 25

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold oversight hearings on the implementation of the Household Goods Transportation Act (P.L. 96-454), and the Bus Regulatory Reform Act (P.L. 97-261).

SR-253

Labor and Human Resources

Alcoholism and Drug Abuse Subcommittee

To hold hearings to examine the use of recreational drugs in professional and amateur sports.

SD-430

SEPTEMBER 26

9:30 a.m.

Finance

Taxation and Debt Management Subcommittee

To hold hearings on S. 337, to make permanent the deduction for charitable contributions by nonitemizers, and S. 2017, to revise certain IRS regulations relating to deductions for the payment of certain expenses by ministers and members of the uniformed services who receive subsistence and housing allowances.

SD-215

SEPTEMBER 27

10:00 a.m.

Labor and Human Resources

Aging Subcommittee

To hold hearings on longevity and the lifestyle of older individuals.

SD-430

SEPTEMBER 28

9:30 a.m.

Finance

Health Subcommittee

To resume hearings to examine how to ensure quality health care for low-income persons.

SD-215